



Enabling poor rural people
to overcome poverty

Guidelines

for

preparation and implementation
of a Results-based Country
Strategic Opportunities
Programme

Version 1

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Guidelines for preparation and implementation of a Results-based Country Strategic Opportunities Programme

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Glossary on Terminology

Client Feedback Survey: An internet based survey to ascertain IFAD's performance in a country. The survey would be completed once a year by a group of stakeholders identified by the CPM and approved by the Divisional Director.

Country Programme Management Team: A group of persons selected by the CPM to act as resource persons through the entire process of COSOP formulation and implementation. The group could include representatives from Government, donors, civil society, consultants, and IFAD staff. The list of persons on the CPMT would be formalized through approval by the Divisional Director.

COSOP Annual Implementation Progress Report: A report on COSOP implementation progress, prepared once a year by the CPM. The report would be reviewed in-country and in-house as part of the annual portfolio review process at divisional level.

COSOP Annual Implementation Progress Review Meeting: A one day meeting held once a year in-country to review the COSOP implementation progress. The meeting should be chaired by the CPM, and attended by as many members as possible from the CPMT.

COSOP Completion Report: A final report on COSOP performance and impact to be prepared by the CPM at the end of the COSOP cycle. The report would be a "self evaluation" by the CPM and would feed into any "Country Programme Evaluation" or new COSOP design process that follows.

COSOP Cycle: The cycle of COSOP formulation, annual review, mid term review, completion, and finally evaluation. Learning from the evaluation would feedback into the design of a new COSOP.

COSOP Design Workshop: A one day workshop held in-country and managed by the CPM to solicit guidance from a wide range of stakeholders on the design of the COSOP.

COSOP MTR: A short mid term review of the COSOP undertaken by the CPM after 2 or 3 years of COSOP implementation.

COSOP Baseline Poverty Analysis: A key preparatory study to be undertaken during the process of COSOP design, to establish the COSOP baseline, and to assist in COSOP design.

COSOP Wrap-up meeting: A wrap-up meeting convened by IFAD's focal point Ministry (for example Ministry of Finance), to agree on the final COSOP design. This would take place after the COSOP has been approved by the OSC.

Joint Ownership: The new COSOP is intended to be jointly owned by IFAD and the respective country. Country involvement is defined as follows – country representatives will participate in the COSOP wrap-up meeting and they will also participate in the Annual Implementation Progress Review Meetings.

Results Management Framework: A key matrix to be attached to each COSOP, summarizing the key strategic objectives of the COSOP and the associated indicators. Ideally a draft would be discussed at the COSOP Design Workshop and finalized following the COSOP design mission.

Strategic Framework: IFAD's new strategic framework provides one of the key starting points in the design of any new COSOP. It provides the thematic and sectoral boundaries within which all IFAD country programmes should operate.

Guidelines for Preparation and Implementation of a Results Based Country Strategic Opportunities Programme

I. BACKGROUND

1. On 13 September 2006 IFAD's Executive Board approved a new format and approach for IFAD's country programmes, with much more emphasis on results, accountability, and country ownership (see EB 2006/88/R.4 Agenda Item 5a). The Board agreed on a new instrument to describe and manage IFAD country programmes to be entitled a Results Based Country Strategic Opportunities Programme (COSOP).

2. These guidelines have been prepared specifically to assist IFAD staff and consultants in the preparation and implementation of a Results Based COSOP. They are derived primarily from the proposal elaborated in the approved EB document however three key changes have been introduced since Board approval:

- (i) more emphasis is being placed on the COSOP baseline;*
- (ii) there is more emphasis on quantification of COSOP targets in the Results Management Framework to show exactly what is going to be delivered over the 5 year COSOP period; and,*
- (iii) more detail is being placed on the IFAD project pipeline during the COSOP period through inclusion of a new appendix entitled "project pipeline".*

3. These guidelines are a living document and they will be iterated over time as and when new policies and procedures are agreed by the Fund.

II. WHY CHANGE THE COSOP?

4. Until recently, IFAD country strategies traditionally served to provide the rationale for country engagement, with the main focus on alignment with the Fund's objectives. While these strategies often ably demonstrated the proposed assistance programme's relevance to objectives, they just as often failed to devote sufficient attention to the national policy environment or the activities of other donors. They did not form part of a performance management system; and they lacked a results management framework that could be evaluated to demonstrate the effectiveness and impact of the programme as a whole. In other words, they served as an instrument for planning but not for management, learning and accountability.

5. Also until recently, COSOPs focused on investment projects as the key instrument for delivering IFAD's country programme. As IFAD's development assistance approaches have become more varied (loans, grants, policy dialogue, partnership, knowledge management) and pooled financing arrangements became more popular (joint assistance strategies and sector-wide approaches), there is a need for the country strategy to evolve into a vehicle for linking these elements together to capture areas of synergy and complementarity.

6. Comments made by the Executive Board, the IEE and recent country programme evaluations all highlight the variations noted in COSOP quality. The consensus is that IFAD country strategies should:

- (a) focus more on the rural poor, providing more detail on intended beneficiary groups and targeting approaches;
- (b) provide a clearer picture of IFAD's comparative advantage;

- (c) have a clear innovation agenda and mechanisms for scaling up activities via strategic partnerships;
- (d) provide a performance management framework, bearing in mind the limitations of logical frameworks when applied to country strategies; the lack of procedures for COSOP monitoring, review and self-evaluation; and the lack of quantitative statistics on country programme performance;
- (e) include a risk management strategy and alternative programme financing scenarios; and
- (f) be harmonized with national poverty reduction strategies and other national strategies and identify areas of synergy between IFAD activities and those of other donors.

III. WHAT IS A RESULTS-BASED COUNTRY PROGRAMME?

7. Results-based country programming is not new. Many of IFAD's partner organizations have been using this approach for many years and a significant amount of learning has already been generated. In the larger development agencies, the results-based approach has its roots in the increasing public concern with development effectiveness, the concerns about the transactions costs implied by uncoordinated donor activities. The emphasis has shifted to results, performance management, learning and accountability, bringing with it the need for improved harmonization and alignment with country-owned strategies and better donor cooperation. The country programme – as the summary statement of a donor's activities in a country – is the main instrument for addressing all these elements.

8. Based on the past five years of international experience, the key features of a results-based country programme can be outlined as follows:

- (a) It provides a rationale for the nature of engagement in each country by demonstrating the country programme's relevance to the country and to the development agency's goals, mandate and comparative advantage.
- (b) Based on an analysis of the country context (poverty situation, policy context, other donor activities and lessons learned from previous projects), its programme of assistance aims to maximize selectivity, synergy, coherence, relevance and effectiveness.
- (c) It shows how the country programme supports national policymaking through linkage to poverty reduction strategies (or their equivalent) and sectoral strategies. It also indicates areas of complementarity with the activities of other development agencies (thus increasing project selectivity and partnerships).
- (d) It sets out a performance management framework that identifies expected results and corresponding indicators, together with a process for monitoring, reviewing and reporting over time.
- (e) It is a knowledge and learning instrument that builds on experience acquired and lessons learned – using project and country programme monitoring and evaluation (M&E) processes.
- (f) It sets out a strategy for managing risks.
- (g) It builds country ownership of the strategy through broad stakeholder consultation and through obtaining agreement/endorsement of the strategy with the Government (for example through a final wrap-up meeting in the Ministry of Finance).

IV. WHAT ARE THE KEY FEATURES OF THE NEW COSOP?

9. Alignment: COSOPs will be aligned with IFAD's strategic framework and also with national poverty strategies. IFAD's strategic framework will be a key reference point in the preparation of each individual COSOP. In this regard, the strategic framework document

provides the boundaries for COSOP design and implementation. Two key elements of the strategic framework – the hierarchy of objectives, and the key principles for engagement - are summarized in Appendix II of the guidelines. In addition, each COSOP will need to align with national poverty strategies where they exist. To the extent feasible, the COSOP design process should be synchronized with the PRSP design process. This is elaborated in Appendix III and Appendix XI of the guidelines.

10. Joint Ownership: A major difference will be the increased emphasis on joint ownership, which means greater involvement by in-country stakeholders in the design and implementation of COSOPs. It also means ensuring adequate consultation with key stakeholders, harmonization and alignment with country poverty reduction policies and activities of other donors (including harmonization with UN reforms), the avoidance of duplication of activities, and ownership of the COSOP by both the government and IFAD.

11. Synergy: A fundamental change will be that COSOPs will describe coherent country programmes, comprised of mutually reinforcing instruments and activities that support a limited number of key strategic objectives. The synergy between delivery instruments is expected to enhance the poverty reduction impact and effectiveness of IFAD-supported initiatives.

12. Results Management Framework: The logical framework is to be replaced by a Results Management Framework. This will maintain a logical structure for the country programme while also allowing COSOP strategic objectives to be aligned with national poverty reduction strategies and an IFAD agenda for policy dialogue.

13. Accountability: For IFAD to be held accountable for delivering a country programme, the Results Management Framework must be an instrument to enable monitoring and evaluation of the progress in achievement of COSOP objectives, outcomes and milestones over the COSOP period (usually five years). To enable evaluation, there must be a baseline, and the indicators in the Results Framework must be quantified in advance as precisely as feasible. Details on baselines, indicators, and quantification are included in Appendix III

14. Baselines: The baseline data used to establish the starting point for each COSOP would be gathered in a Baseline Poverty Analysis (described in Appendix VI of the COSOP guidelines) during the design of each COSOP. Baseline data would normally be gathered from existing data sources, not from surveys. The baseline data would need to correspond as closely as possible to the strategic objective statements in each COSOP. Surveys would only be organized when there are significant gaps in the existing data sets, and would be subject to resource availability.

15. Indicators: The number of quantified indicators for the Results Management Framework should be kept minimal, and should be limited to key relevant data. The selection of the COSOP Strategic Objectives themselves will be heavily influenced by the nature of the ongoing projects in a country programme, given that the Results Management Framework is going to focus on what is going to be delivered on the ground over a five year period. The selection of outcome indicators will by and large be from the list of RIMS level 2 indicators (purpose level statements), while the selection of milestone indicators will usually be from the list of RIMS level 1 indicators (output level statements). However, as the RIMS indicators are rather limited, there will obviously be occasions when CPMs have to complement them with additional indicators.

16. Quantification: Once the baseline for each of the COSOP strategic objectives is established on the basis of existing data sources, the expected COSOP outcomes and milestones will need to be quantified. The quantification of the outcomes and milestones in the Results Management Framework would be done through two methods:

- Aggregating the expected quantified outcomes and outputs (that correspond to the SO in question) from all the ongoing loans and grants in the portfolio for the implementation period of the COSOP. For example if the Results Management Framework covers a five year period, which is characterized by 3 ongoing IFAD projects, the quantification of indicators would be done by referring to the targets in appraisal reports and progress reports of these three projects, and by estimating how much would be delivered by these projects over the COSOP period.
- Aggregating quantified targets for future projects to be processed during the COSOP period in question. This would imply including the designs and targets for future projects in a separate annex in the COSOP.

Summary Table of Key Changes to the COSOP

	COSOP	Results-based COSOP
Purpose of COSOP	<ul style="list-style-type: none"> • Strategic positioning of IFAD at the country level 	<ul style="list-style-type: none"> • Strategic positioning of IFAD at the country level with reference to the Strategic Framework and other IFAD policies/strategies. plus • Instrument for management, learning and accountability for achieving strategic objectives
IFAD specificity	<ul style="list-style-type: none"> • Discussion on IFAD niche 	<ul style="list-style-type: none"> • Systematic description of IFAD's comparative advantage and competencies in the country
Target group	<ul style="list-style-type: none"> • No discussion of target strategy and target groups 	<ul style="list-style-type: none"> • Inclusion of targeting strategy and key file on intended target groups
Ownership	<ul style="list-style-type: none"> • IFAD ownership 	<ul style="list-style-type: none"> • Joint IFAD and country ownership • In-country stakeholder involvement in COSOP design and implementation
Aid Effectiveness	<ul style="list-style-type: none"> • No systematic analysis 	<ul style="list-style-type: none"> • Full alignment with national poverty reduction strategy (or its equivalent) • Description of how IFAD is interfacing with harmonization/alignment initiatives, with emphasis on IFAD's complementarity
Focus	<ul style="list-style-type: none"> • Lack of focus a frequent criticism (often have more than seven areas of intervention) 	<ul style="list-style-type: none"> • Maximum of three strategic objectives in each COSOP (possibly up to five in special cases)
Instruments for delivering the country programme	<ul style="list-style-type: none"> • Mainly loans 	<ul style="list-style-type: none"> • Loans, grants, policy dialogue, partnerships, knowledge management
Complementarity of delivery instruments	<ul style="list-style-type: none"> • Rare 	<ul style="list-style-type: none"> • Full synergy and complementarity of delivery instruments in support of the same three central strategic objectives
Operational details	<ul style="list-style-type: none"> • Description of future loans not always included 	<ul style="list-style-type: none"> • Brief description of future projects included, in particular, projection of likely results from these future projects.
Financing framework	<ul style="list-style-type: none"> • No standard approach 	<ul style="list-style-type: none"> • Standard approach following IFI best practice
Results framework	<ul style="list-style-type: none"> • Logical framework 	<ul style="list-style-type: none"> • Results management framework
Accountability	<ul style="list-style-type: none"> • Limited accountability (no annual reporting, no mid-term review and no self-evaluation at COSOP completion) 	<ul style="list-style-type: none"> • Annual reporting on results management framework indicators, a mid-term review and self-evaluation at completion
Retrofitting	<ul style="list-style-type: none"> • No retrofitting to ongoing activities 	<ul style="list-style-type: none"> • Annual reporting on results management framework indicators will cover both ongoing and new activities • Limited retrofitting would be encouraged during the life of the COSOP, while respecting any limitations imposed by established legal agreements
Supplementary appendices	<ul style="list-style-type: none"> • Selected key files 	<ul style="list-style-type: none"> • Full set of key files

17. Annual reporting: Once a year, the CPM would report on progress, against the baseline and the quantified targets for the COSOP period. This would be done by aggregating the reported level 1 and level 2 indicators in the RIMS tables for all ongoing projects, and inserting the aggregated totals into the Results Management Framework. As new projects are approved during the COSOP period, the results of these new projects would be added to those of the ongoing projects, to get a total for the whole country programme.

18. Retrofitting: Retrofitting of ongoing operations to bring them in-line with new strategic priorities will only occur on a limited scale, given the fact that there are only limited opportunities to redesign ongoing operations, and the fact that ongoing projects are bound by approved legal agreements. CPMs will be encouraged to identify any appropriate opportunities where limited retrofitting makes sense, for example during a MTR of an ongoing project.

19. Financing Framework: Another key change will be the introduction of a systematic linkage between the availability of IFAD resources and country performance (both in terms Government performance in establishment pro-poor policies and the performance of the IFAD project portfolio) via allocations driven by annual calculations under the performance-based allocation system (PBAS). In this regard, IFAD will adopt the same approach as its major International Financing Institution (IFI) partners, with a clear stipulation of allocations for year 1 of the COSOP but with subsequent yearly allocations dependent upon the annual PBAS calculation.

20. Project Pipeline: Each new COSOP will need to include details on the project pipeline anticipated for the COSOP period. The level of detail on future projects would be restricted to what can realistically be determined at the stage of COSOP design.

21. Cost efficiency: The new COSOP approach relies heavily on existing IFAD procedures and processes (as opposed to imposing additional procedures). For example, the annual review of COSOP implementation progress would be done through the existing portfolio review process. Similarly, many CPMs are already holding annual portfolio review meetings in country, and these can easily be re-termed “annual COSOP implementation progress review meetings”. Finally, it is not expected that IFAD will engage in primary data collection as part of COSOP design. IFAD will rely on gathering existing data to prepare COSOP baselines and working papers. This could be from national documents (PRSP etc), or existing donor studies/reviews (in particular for economic or sector analysis). Previous IFAD formulation and appraisal reports also include useful data for recycling and updating (key files, sectoral reviews etc).

V. WHAT DOES THE NEW COSOP CYCLE LOOK LIKE?

A. Overview of the COSOP Cycle

22. Implementation of the results-based country programme will involve a cycle of formulation, review and evaluation, with outcomes and lessons learned feeding into the design of each new COSOP.

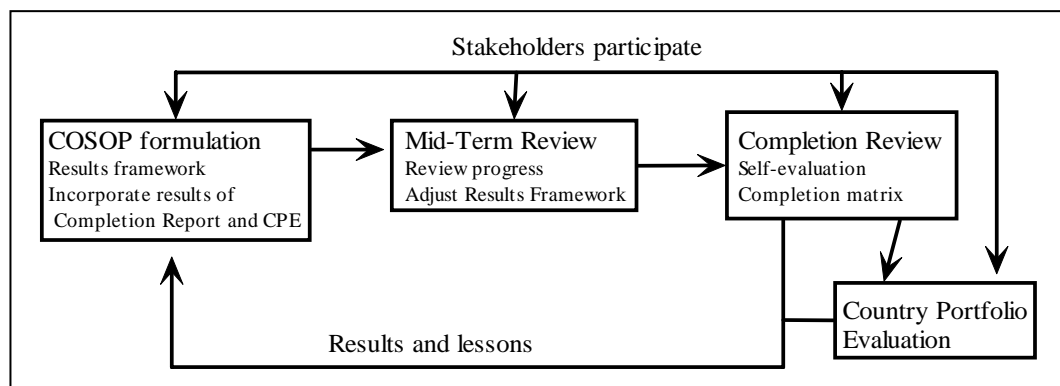
23. Key to this process is the recognition that the COSOP will be a living flexible document and, as such, will be amended iteratively over time to reflect changes at the country level. Opportunities to amend the COSOP will occur annually following the annual progress reviews, and also at mid term.

24. The decision on when a COSOP is required will depend upon the actual or anticipated size of the country programme. In most cases a COSOP will not be required for minimum

allocation countries or countries with only one ongoing project. The decision on when a COSOP should be replaced or fundamentally revised will depend upon the following factors:

- (a) significant change in a country's political, economic or security situation;
- (b) significant change in the rural sector policy and institutional settings;
- (c) achievement of the original COSOP objectives; or
- (d) significant underachievement of original objectives and milestones.

Figure: The COSOP Cycle



Stakeholder participation throughout the cycle

25. An important part of COSOP formulation and implementation is increased consultation with country-level stakeholders leading to a COSOP which is fully aligned with country poverty reduction goals, harmonised with the approaches of other donors, and has a high level of local ownership. In addition to the rural poor and their organizations, these stakeholders could include government institutions, the private sector, NGOs, farmer organizations (and other member based organizations), donors and others. The process of consultation for a typical COSOP may take the form of:

- On-going contacts with country partners via project-related meetings, portfolio reviews and donor coordination meetings. Obviously such contacts are much easier where IFAD has a field presence.
- A COSOP design workshop and wrap-up meeting during the formulation phase.
- Annual reviews and a mid-term review will also involve consultations with the government and other key stakeholders.
- An annual client feedback survey will provide an independent review of progress.
- A stakeholder workshop as part of the preparation of the COSOP completion report will examine the achievements of the COSOP and identify key lessons for the future.

26. The consultation process during the formulation of the COSOP would be described in Appendix 1 of the COSOP report.

B: COSOP Formulation Process

27. A summary of the COSOP formulation process, in the form of a quick reference step-by-step guide is shown in the box below. These steps are elaborated in more detail below.

Step 1: Planning the COSOP Formulation Process

28. Once it has been decided at the divisional level that a COSOP is required for a particular country, the CPM will commence the process by preparing a plan for COSOP formulation. This plan might be informed by a short scoping mission to the country by the CPM, or alternatively would be based on accumulated institutional memory of the country in question. The plan would include a time line for the entire COSOP formulation process. It would also include TOR and budget for any preparatory studies, baseline data collection work, sector analysis, the main COSOP missions, and associated workshops.

Box: Quick reference guide to the COSOP formulation process

A typical COSOP formulation process involves the following steps.

1. **Planning the COSOP process.** An initial COSOP formulation plan should be drawn up by the CPM. This should include a timeline for any necessary studies, activities or workshops, and preparation of TORs and budget etc.
2. **Establishment of a CPMT.** The CPM will identify a group of key stakeholders both within IFAD and at country level. This group would provide guidance and feedback when required during the entire cycle of COSOP design and implementation.
3. **Preparatory studies** (using existing analyses where possible and filling in knowledge gaps where needed). This could entail a gender sensitive Baseline Poverty Analysis, an assessment of institutional capacity, sectoral overviews, etc.
4. **Main COSOP design mission.** This would include gathering secondary data, a COSOP design workshop and discussions with partner agencies.
5. **Preparation of draft COSOP report, results management framework, key files and appendices** (appendices including poverty analysis and summaries of preparatory studies).
6. **In-house quality assurance and approval.** Review of draft report by the concerned division and by Programme Management Department. This would be followed by Senior Management Review of the draft report at OSC.
7. **In-country COSOP wrap-up meeting with IFAD's focal government agency** (such as the Ministry of Finance). This event should verify and agree COSOP proposals at country level to ensure country ownership.
8. **Preparation and submission of Executive Board version of COSOP**, without the additional appendices.

Step 2: Establishment of Country Programme Management Team (CPMT)

29. At the same time that the COSOP plan is prepared, the CPM will establish a CPMT (where it does not already exist). The CPMT will be a resource group of COSOP stakeholders who will remain associated with the COSOP throughout the entire process of COSOP design and implementation. The CPMT will have an in-house component and an in-country component and will be managed by the CPM.

30. The core of the in-house component will comprise the CPM, the legal counsel and the loan officer (ie. the current Project Development Team). However this could be expanded to include other members if considered necessary by the CPM (ie. from policy division, communications division, etc).

31. The core of the in-country component will usually include a representative from the Government focal point ministry (ie. Ministry of Finance or other), a representative from at

least 2 other key Government institutions involved in the IFAD country programme, the project directors of all ongoing IFAD projects, a representative from each of the contracted Cooperating Institutions, representatives from at least three donors based in the country (one of which should be the UN resident coordinator or his/her designated alternate), at least three representatives from civil society involved in the IFAD country programme (NGOs, CBOs, farmer organizations, other member based organizations, etc).

32. The CPMT will be primarily as a resource group. They would be the key participants at major points in the process of COSOP design and implementation. For example, they would participate in the COSOP design workshops, the annual in-country COSOP review meetings, the client feedback surveys, the MTR and the completion evaluation.

33. Once prepared by the CPM, the proposed composition of the CPMT will be approved by the Divisional Director. This could be done at the same time that the COSOP plan and budget is approved.

Step 3: COSOP Preparatory studies

34. A number of studies may be carried out to provide background information for COSOP formulation. The number and scope of background studies will be limited by the time and resources available for the whole COSOP process, and also by the extent of existing available information. Where possible use should be made of existing studies and other sources of information. It may also be possible to carry out some of these studies jointly with other donors, which would not only make better use of resources, but also build partnerships and improve donor harmonisation.

35. The most important of these preparatory studies is the Baseline Poverty Analysis. Specific guidance on how to do complete a gender sensitive Baseline Poverty Analysis is attached to the Guidelines as Appendix VI. A Baseline Poverty Analysis will be essential in order to specify the starting point for each of the COSOP objectives, so that the COSOP progress can be effectively monitored and evaluated. For example if the objective is to increase rice yields for smallholder farmers, the COSOP should clearly stipulate the baseline rice yield at the country level for smallholders.

36. The Baseline Poverty Analysis would generate information for: (i) the main report of the COSOP (Section II A ii on Rural Poverty and Section IV C on Targeting Strategy) and the Results Management Framework; (ii) Key File Table 1, Rural Poverty and Agricultural/Rural Sector Issues, and (iii) Key File Table 3. COSOP target groups and proposed IFAD response.

37. Other potentially important background studies could include institutional capacity assessments and sector overviews (especially for agriculture and rural development – which would also feed into Key File 1) and other thematic topics. These studies would provide the analysis required to identify and determine the draft COSOP's strategic objectives.

Step 4: The COSOP Design Mission

38. Once any necessary background studies have been completed, the main COSOP design mission will be launched. The size of this mission will depend on the country situation and the resource availability, and could vary in size from being the CPM alone to being a mission composed of a team of consultants. The purpose of the mission would be to gather remaining secondary data, undertake a COSOP design workshop and discuss plans with partner agencies, in particular key Government and donor partners. If possible, a first draft of the COSOP Results Management Framework should be prepared during the mission and that this form the basis for key discussions with stakeholders.

39. The **COSOP design workshop** during the main COSOP mission would review how IFAD can best contribute to poverty reduction, and discuss ideas for key COSOP strategic objectives.

40. The COSOP design workshop would ideally be attended by members of the CPMT, although this list could be expanded depending upon resource availability. It could involve a wide range of stakeholders (government agencies, NGOs, CBOs, farmer organizations or other member based organizations, academic and research institutions, key donor partners, and the private sector). Participation should be as gender balanced as possible. This workshop would run for one day and may include:

- (i) an evaluation of recent IFAD performance in the country – including, if applicable, the completion report of the last COSOP.
- (ii) a review of the current PRSP with the objective of identifying niches for IFAD that fit its comparative advantage, taking into account other development activities and IFAD goals.
- (iii) insights on the dynamics and underlying causes of poverty from individuals with knowledge of the poverty situation in the country (including people working for NGOs, academic and research institutions, and projects).
- (iv) discussion of the findings of preparatory studies commissioned for the COSOP.
- (v) If possible, discussion on a first rough draft of a Results Management Framework, with sex-disaggregated indicators.

Step 5: Preparation of the draft COSOP report

41. An annotated table of contents for the main COSOP report is included as Appendix I of these guidelines, with information on the results framework in Appendix II, indicators for the results framework in Appendix III, and Key Files in Appendix IV.

42. Secondary data will provide the information required for the Country Economic Context (Chapter II, Section A i). Economic data on growth rates, population growth, inflation etc. can be obtained from secondary sources, along data on poverty levels and progress towards MDGs Economic Intelligence Unit reports, World Development Indicators and UNDP Human Development Indicators. This information would be included in an appendix table which may include columns showing comparative data from other countries in the region – see Appendix V for an example format of such a table. Information will be sex-disaggregated wherever possible.

43. As already described, existing reports and studies may provide much of the information needed for the Poverty Analysis. This could include reports from on-going IFAD and other projects, and studies carried out by other donors and research organizations. The poverty (and gender) analysis could provide a description of the current poverty situation in the country (poverty levels, income distribution, and regional variations), an analysis of the causes of poverty, and constraints and opportunities for poverty reduction. Processes of marginalization of particularly vulnerable groups such as indigenous/ethnic minorities should be mentioned. There should also be a section on gender issues, with GEM and GDI data.

44. Secondary data would also provide information on the performance of the agricultural and rural sector, and help identify the main constraints to growth mentioned.

45. The COSOP should be firmly based on IFAD's past experience in the country. This involves assessing how well IFAD activities have performed in the past, and what lessons can be learned for the future. Assessment of past performance could be based on results from the last COSOP, with a summary COSOP Completion Report attached as an Appendix (see format for completion report in Appendix VIII).

46. If a CPE has recently been carried out, the key conclusions should be reported, with the CPE Agreement at Completion Point included as an appendix of the COSOP (along with the summary of follow-up that has been undertaken by the CPM). The performance of the IFAD country programme at the portfolio level in terms of PAR ratings should be evaluated, and project management issues and problems identified.

Step 6: In-house Quality Assurance and Approval

47. Once a draft COSOP is available, the CPM would submit the report for in-house review. While not compulsory, in some cases this could imply peer review at the divisional level. In all cases the draft report would be discussed at a Programme Management Department (PMD) meeting and at an Operational Strategy and Policy Guidance Committee (OSC) Meeting. Comments from these meetings would be addressed by the CPM in the finalization of the COSOP report. The in-house CPMT would also provide an input to quality assurance throughout the process.

Step 7: In-country COSOP wrap-up meeting.

48. Once all in-house reviews are completed and a final version of the COSOP is available, a COSOP wrap-up meeting would be undertaken at country level. The key purpose of this meeting is to ensure agreement and joint ownership of the COSOP document. The wrap-up meeting would be an opportunity to discuss the COSOP document and to ensure that it is in-line with the national poverty-reduction strategy and fits into the overall donor assistance effort. The COSOP wrap-up meeting is likely to be less lengthy than the design workshop, and would usually consist of a presentation of the COSOP proposals by the CPM. This meeting may be chaired by a representative from IFAD's focal agency in the government (such as the Ministry of Finance), but other stakeholders may also attend – such as members of the CPMT and other partner agencies involved in project implementation, and other donors.

Step 8: Preparation and submission of Executive Board version of COSOP

49. Once endorsed at country level, the COSOP document will be edited into the format required by the Executive Board. This will imply removal of some of the additional appendices. The document will then be submitted to the Board for discussion.

C COSOP Implementation Process

50. A summary of the COSOP implementation process, in the form of a step-by-step guide is shown in the box below. These steps are elaborated in more detail below.

Step 1: Preparation of COSOP Annual Implementation Progress Report

51. A COSOP annual implementation progress report will be prepared each year by the CPM. This report will include the following:

- (a) an updated COSOP results management framework, with quantification of the indicators (quantitative results and impact data should be drawn from annual RIMS reports and other reports that become available through the year in question);
- (b) the country programme issue sheet;
- (c) project status reports for all ongoing projects; and,
- (e) reports of the Results and Impact Management System (RIMS).

Box: Quick reference guide to the COSOP implementation process

A typical COSOP implementation process involves the following steps.

1. **Preparation of COSOP annual implementation progress report.** This would comprise a short narrative together with an updated Results Management Framework including aggregated data from completed RIMS reports, Project Status Reports, a Country Programme Issues Sheet, completed RIMS reports.
2. **Annual client feedback surveys.** The CPM would facilitate the completion of a client feedback survey by members of the CPMT. The survey would be available on the internet. The survey is included as an Appendix to the Guidelines.
3. **Annual COSOP implementation review meeting.** The completed annual report would be presented for discussion at the annual review meeting. This would usually take place in the country and would be attended by the key stakeholders involved in COSOP implementation.
4. **Finalization of annual report and submission to Divisional Director** (report to be reviewed at the divisional level as part of the Annual Portfolio Review process).
5. **Undertaking a mid term review after 2-3 years.**
6. **Undertaking a completion review and if possible a completion evaluation.**

52. In order to track the COSOP's impact on development effectiveness, the annual COSOP implementation progress report will also include a short narrative with the following specific information:

- (a) a summary of any information describing impact on poverty (with reference to any available RIMS and other impact surveys);
- (b) a re-examination and confirmation of the relevance of the COSOP strategic objectives against the changing country background – including changes in poverty reduction strategies, other government policies, and economic and political conditions;
- (c) an assessment of the achievement of COSOP strategic objectives with reference to indicators of attainment and milestones of showing progress towards strategic objectives – as well as cross-cutting themes;
- (d) reporting on targeting performance, and specifically reporting on the inclusion of targeting and gender concerns during COSOP implementation (project start-up workshops; consultation processes; adoption by other partners of IFAD's targeting strategies).
- (e) a re-examination of the effectiveness of the approaches selected for reaching the strategic objectives, taking account of changes in the approaches of other donors (harmonisation), and the performance of IFAD partner agencies.

53. The COSOP implementation progress report will be an input to the annual in-country COSOP review meeting and the in-house annual portfolio review process at the divisional level.

Step 2: Client Feedback Surveys

54. In addition to the information prepared by the CPM, as part of the process of annual review, IFAD will undertake client feedback reviews on an annual basis. The CPM would facilitate the completion of these surveys by members of the CPMT, and any other key stakeholders in Government, civil society and partner donors. The full list of clients to be approached by the CPM should be cleared by the divisional director. The survey would be

accessible remotely through the internet. For ease of reference, the text of the survey is included as an Appendix to the Guidelines.

Step 3: Annual COSOP Implementation Review Meeting

55. The completed COSOP Annual Implementation Progress Report would be presented for discussion at an annual review meeting. This would usually take place in the country and would ideally be attended by the CPMT members and any other key stakeholders involved in COSOP implementation. The meeting should be chaired by the CPM.

Step 4: Finalization of annual report and submission to Divisional Director

56. The COSOP Annual Implementation Progress Report would be finalized on the basis of comments received during the annual review meeting. It would then be submitted to the divisional director for divisional review as part of the Annual Portfolio Review process at divisional level.

Step 5: Mid Term Review

57. A mid-term review (MTR) will examine COSOP progress after two or three years and recommend any necessary adjustments to the objectives and the results management framework in the light of changes in government policy (such as a revision of the poverty reduction strategy), changes in the donor harmonization agenda, or other circumstances. The process of carrying out a mid-term review would be similar to that for an annual review, and cover the same list of issues as shown above. However the MTR will investigate these issues in more detail, and highlight what seems to be working, what challenges need to be faced, and what has not yet been tried. The CPM may hold a number of meetings with donors and other stakeholders as well as holding a wrap-up meeting with IFAD's focal agency in the government. At this meeting a draft Aide Memoire would be discussed, which would review progress and propose any changes that may be required to the COSOP – in particular changes to Strategic Objectives. These changes would be shown in a revised Results Framework. Taking account of the progress towards the COSOP strategic objectives, the MTR may also recommend that the duration of the COSOP be either shortened or lengthened (say from five to six years). Changes in the COSOP that have been agreed at the wrap-up meeting would then be submitted for approval by the respective divisional director in IFAD.

Step 6: COSOP Completion Report and Evaluation

58. At the end of the COSOP period, a completion review will be conducted in the form of a self-evaluation by the respective CPM. This review will look at the performance of the COSOP in terms of its strategic objectives and its contribution towards the country's poverty-reduction goals. A completed results management framework or COSOP completion matrix will form the heart of the completion report and will highlight the key outcomes. A format and guidelines for COSOP completion reviews is included in Appendix VII. In addition, whenever possible, a country programme evaluation will also be carried out by the IFAD Office of Evaluation. The details on how a COSOP would be evaluated by OE are included in Appendix VIII.

VI. “BUT MY COUNTRY IS DIFFERENT!”

59. The general approach described above includes significant flexibility to accommodate the different circumstances of individual countries.

60. An increasing number of countries are now designing and implementing sector-wide approaches (SWAs) for rural sectors such as agriculture. A COSOP will be required for

countries where IFAD's programme involves participation in a SWAp or other joint approaches with other donors. In SWAp situations, reference will be made to the IFAD SWAp policy paper. Formulating a COSOP for a country where a SWAp or other joint donor assistance strategy is under consideration may well require IFAD to participate in much more lengthy and detailed consultations with other donors and with the government, and so may require a longer period and more resources than a standard COSOP. It may also require IFAD to follow a format for a joint donor strategy that differs from the usual COSOP format. In such situations, emerging experience indicates that donors are often still preparing their own country strategy documents, and that these documents are being annexed to a unifying joint country strategy document.

61. In post-conflict countries and fragile states, the COSOP may be adapted to reflect suggestions from the IFAD Policy on Crisis Prevention and Recovery. In particular, a shorter period may be covered by a "transitional COSOP" (e.g. three years instead of the usual five) to take account of a country's uncertain situation and the fact that needs may rapidly change when peace is fully established. For such a transitional COSOP (or revision of an earlier COSOP), it may not be possible to carry out very much in the way of consultations or poverty analysis, and there may be little economic data available as country background information. In these cases, emphasis will instead need to be placed on crisis risk and vulnerability assessment.

62. Countries with minimal PBAS allocations or countries where a small country programme is envisaged will not require a COSOP. Instead, the information that would normally be included in a COSOP will be incorporated into the relevant sections of any project design document that is drafted. In this regard, a substantial proportion (almost 30%) of countries where IFAD works normally only implements one project at any given time.

63. Sometimes, neighbouring countries have a strong shared development agenda (for example, the islands of the Pacific or the Caribbean, or specific country groupings in Central America or sub-Saharan Africa). In such situations, it may be appropriate to prepare a sub-regional strategic opportunities programme (SRESOP), as was done recently for some Pacific island States and Central Asia. Development challenges that may justify such a regional approach include shared external constraints and opportunities (e.g. trade arrangements such as free trade areas) or shared geopolitical, social and economic characteristics (e.g. the countries of the Southern Common Market [MERCOSUR]). SRESOPs would be prepared on an ad hoc basis, as dictated by circumstances. To the extent possible, they would be planned and conducted in the same way as COSOPs. SRESOPs will focus largely on strategic, policy and operational issues of relevance to a region or subregion, including prospects for financing operations. SRESOPs will take into account the strategies and activities of all other relevant stakeholders, i.e. national governments, regional institutions, IFIs and regional civil society organizations.

VI. COST EFFICIENCY

64. The proposal to adopt a new format and approach for the IFAD COSOP has a number of cost implications.

- The cost of each individual COSOP will likely increase to as much as USD 45,000 per COSOP. This will be offset by the 30% reduction in the overall number of COSOPs prepared each year (no more COSOPs for minimum allocation countries). An example budget breakdown is provided in Appendix XII.
- In terms of the COSOP design and implementation process, there are additional tasks envisaged, such as in-country wrap-up meetings and annual review meetings.

- The COSOP wrap-up meeting would be hosted and chaired by IFAD's key focal point ministry, much like a wrap-up meeting on a formulation mission or appraisal mission. Hence there would be no financial cost involved.
- The annual review meeting would be organized in-country by the CPM. These meetings would usually take place in a hotel or government office (if available). The costs of such an annual review meeting in terms of room hire, hospitality, lunch for participants, etc in an average 5 Star hotel is estimated at USD 500 in total. In many cases this is not a new cost, as CPMs are already undertaking these annual portfolio review meetings.
- In terms of the proposed process of reporting, most of the proposals in the new approach require the use of existing internal processes, as opposed to imposing new processes. For example, annual reporting on COSOP implementation will be accommodated by using the existing Portfolio Review System. The only addition is that the CPM will fill out a one page Results Management Framework to attach to the PSRs, CPISs, and RIMS reports that are already produced.
- There are two genuinely incremental activities that are being proposed, the mid-term review and the self evaluation of the COSOP at its completion. However these are not intended to be large exercises. The MTR is only slightly more detailed than an annual report, and should not take the CPM more than 1 day to write. The completion evaluation would be a similarly light weight exercise.

Appendix I

Annotated Table of Contents for Results-Based COSOPs

Abbreviations and Acronyms

Map of IFAD Operations in the Country

SUMMARY OF COUNTRY STRATEGY (maximum of 1 page)

This one-page summary should focus only on presenting **the key strategic sections** of the COSOP, such as the strategic objectives, the selected target group, etc.

I. INTRODUCTION (0.5 page)

The introduction states the period (in years) covered by the previous and the new COSOPs; the duration of the COSOP will be flexible in order to respond to differing country settings and situations. The introduction then describes the COSOP preparation process, including preparatory studies, stakeholder consultation events (e.g. workshops, focus group discussions, participatory rural appraisals) with key dates, including any final wrap-up meeting with the government. Participation in key events should be as gender balanced as possible. The introduction may also include, as a footnote, a list of members (and their expertise) of the final COSOP mission.

Reference to Appendix I – COSOP Consultation Process

II. COUNTRY CONTEXT

A. Economic, Agricultural and Rural Poverty Context (approximately 2.5 pages)

(i) Country economic background (approximately 0.5 page)

Brief summary with key data on overall income per capita, GDP growth, population growth, inflation, and major constraints and opportunities. Data may be obtained from Economic Intelligence Unit reports, World Development Indicators and UNDP Human Development Indicators.

Reference to Appendix II – Country Economic Background (data table)

(ii) Agriculture and rural poverty (approximately 2 pages)

Drawing where possible on the poverty diagnosis contained in national poverty strategies, this section provides an overview of poverty (and its gender dimensions) within the rural sector. Information should be included on trends in poverty levels (progress towards the Millennium Development Goals) and income distribution. A summary should be given of the causes of rural poverty and constraints/opportunities for poverty reduction, including reference to the key biophysical, social, cultural, institutional and political dimensions of rural poverty (e.g. a discussion on key power relationships that affect inequality and rural poverty). There should be a summary of gender-related constraints and opportunities (gender empowerment measure [GEM] and gender-related development index [GDI] data). Processes of marginalization of particularly vulnerable groups (e.g. indigenous/ethnic minorities) should be mentioned. There should also be a discussion on key emerging issues in rural poverty. The performance of the agricultural/rural sector should be summarized, and the main constraints on agricultural sector growth mentioned. If appropriate, reference

should be made to linkages between this sector, the wider rural economy and poverty reduction.

This section may also make reference to the perspectives and priorities of the rural poor, as voiced in participatory consultations (**reference to Appendix I**) or identified in background studies. The section should provide a clear basis/justification for the choices on strategic objectives made in Section IV.B.

Reference to Key File 1 – Rural Poverty and Agricultural/Rural Sector Issues
Reference to Appendix VI – Poverty Analysis
Reference to Appendix VII – Agriculture and Rural Development

B. Policy, Strategy and Institutional Context (approximately 2 pages)

(i) National institutional context

A short description of IFAD's intended partner institutions (government and civil society) for COSOP implementation, their strengths and weaknesses, and key opportunities for capacity-building.

Reference to Key File 2 – Organizations Matrix (Strengths, Weaknesses, Opportunities and Threats [SWOT] Analysis)

(ii) National rural poverty reduction strategy

A description of key elements of the existing national poverty reduction strategy, in particular the elements that relate to IFAD. This section should also include reference to relevant rural sector strategies.

Reference to Column 1 of Appendix III – COSOP Results Management Framework
Reference to Appendix VIII – Matrix Showing the Strengths and Weaknesses of the National Poverty Reduction Strategy

(iii) Harmonization and alignment

This section should describe the current status of harmonization activities at the country level, and how IFAD is working with other donors and with the government to harmonize its activities. This may include: (i) IFAD participation in country- and sector-level donor coordination forums; (ii) joint activities with donors, such as joint studies and reviews, cofinanced or parallel-financed projects; (iii) relevant SWApS; (iv) coordination of support through joint assistance frameworks; (v) IFAD should be part of the United Nations Development Assistance Framework (this discussion will evolve pending the outcome of United Nations reform initiatives); (vi) adoption of harmonized approaches for project implementation, such as common procurement or reporting procedures.

Reference to Key File 3 – Complementary Donor Initiative/Partnership Potential

III. LESSONS FROM IFAD'S EXPERIENCE IN THE COUNTRY (approximately 1.5 pages)

A. Past Results, Impact and Performance

This section outlines the results from the previous COSOP period. It could be based on indicators from the results management framework of the last COSOP (ref. aggregation of RIMS data, PBAS assessments, country programme evaluations [CPEs] and other evaluations). However, as results management frameworks will only be used in COSOPs starting in December 2006, it will be some years before the framework for a

completed COSOP will be available. Until then, this section could contain a short evaluation of achievements from IFAD activities (including loans, grants, policy dialogue, partnerships, knowledge management) during the period of the previous COSOP relative to the objectives set by the previous COSOP. The performance of the IFAD country programme in terms of project-at-risk ratings and project management issues should be evaluated and any constraints/problems identified.

Reference to Appendix IV – Previous COSOP Results Management Framework

B. Lessons Learned

Key lessons learned from IFAD activities during the previous COSOP period should be described (this may be in a bullet format). This will mainly relate to Section III.A (past performance). If a CPE or other country-level evaluation has been recently carried out, lessons may be taken from these reports.

Reference to Appendix V – CPE Agreement at Completion Point (if available) and summary of follow-up on previous evaluation issues contained in agreement at completion point

IV. IFAD COUNTRY STRATEGIC FRAMEWORK (approximately 3 pages)

A. IFAD Comparative Advantage at the Country Level

This should be a short paragraph outlining – with reference to IFAD’s strategic framework, regional strategy, and history of operations in the country concerned – the areas where IFAD has **specific competencies at the country level**. This will help in selecting themes for future operations and in harmonizing IFAD activities with those of other donors. Areas of comparative advantage may include the following:

- a key thematic, technical or institutional field where IFAD has demonstrated its value in the country, and where the government would like IFAD to focus;
- strong partnerships with a particular institution or combination of institutions; and
- activities, regions, target groups or subsectors where no other donors are active.

B. Strategic Objectives (SO)

This is the core section of the COSOP. This section should normally be written at the time when the Results Management Framework is prepared.

Three SOs should be selected (this could be increased up to five if clearly warranted). An SO can be defined as the highest-order change in behaviour that an IFAD project or other activity can hope to directly influence. It may be considered as equivalent to a purpose-level objective in a logframe, and is similar to the “outcomes” that are used in other donor results frameworks (see Box 1 below for current definitions). Some examples of possible COSOP SOs are shown in Appendix III of the COSOP Guidelines. SOs should be written as “change statements” using words such as improve, increase, adopt and establish.

The selection process itself for three strategic objectives of a country programme will be influenced by the PRSP objectives/targets (or alternative) and by the objectives of the new IFAD strategic framework (see hierarchy of objectives in Appendix II on page 25).

This section of the COSOP will also include details on the indicators that will be used to measure achievement of the selected strategic objectives. The selection of the

strategic objectives themselves will be influenced inter alia by: (i) the national poverty reduction strategy (or its equivalent); (ii) IFAD competencies in the country concerned; (iii) background poverty analysis and associated studies; and (iv) review of donor plans to avoid overlaps and to identify partnership opportunities.

The section should clearly explain the link between each of these strategic objectives and reducing rural poverty. It should also clearly show the alignment between the selected strategic objective and the major objectives, themes or pillars of the national poverty reduction strategy (or alternative national strategy), and with IFAD's strategic framework and regional strategy.

Reference to Appendix II on how to complete a Results Management Framework
Reference to Appendix III on Indicators for a Results Management Framework.

Box 1: Definitions of Strategic Objectives and Outcomes

USAID uses SOs in its country strategies, and defines an SO as “The most ambitious result that a USAID Operating Unit, along with its partners, can materially affect, and for which it is willing to be held accountable” (USAID Policy Directives – Programming Policy 2004).

The World Bank, AsDB and AfDB use the term “country strategy outcomes” with a definition that is very similar to that of the USAID SO: “the results to which the Bank’s interventions are expected to contribute directly” (A Stocktaking of Results-Based CAS, World Bank July 2005), or “outcomes that ADB expects to directly influence during a CSP period, and that contribute to the achievement of higher order country level outcomes” (Practice Note on Results-Based Country Strategies and Programs, ADB September 2005).

UNDP also defines outcomes as “the actual or intended changes in development conditions that UNDP interventions are seeking to support. They describe a change in development conditions between the completion of outputs and the achievement of impact” (RBM in UNDP – Technical Note).

OECD-DAC defines outcomes as the medium-term effects or results of a development intervention. Outcomes are the observable behavioural, institutional and societal changes that take place over 3 to 10 years, usually as the result of coordinated short-term investments in individual and organizational capacity building for key development stakeholders (such as national governments, civil society, and the private sector) (MfDR Principles in Action: Sourcebook on Emerging Good Practices 2002)

C. Opportunities for Innovation

This subsection identifies potential innovation ideas/areas for each of the selected strategic objectives. It also identifies the intended innovation approach (for example: scoping, testing, validation, communication of results, replication) to be adopted by IFAD. If possible, the section should identify existing IFAD funded activities/initiatives that already have scale-up potential. The section should describe the mechanisms IFAD will employ to encourage scaling up of successful IFAD-financed innovations by other partners (for example: communications strategies targeted to particular partners). This section will seek to link research work funded by IFAD grants (both in the country and elsewhere) to future projects that could benefit from innovations.

This section would be supplemented by a separate Appendix IX entitled “Project Pipeline” which will provide details on projects to be developed during the COSOP period. It should be noted that this list should not be interpreted as a promise of

commitment, but as a highly indicative list of potential projects, that is susceptible to modification in response to changing country circumstances during the COSOP period.

D. Targeting Strategy

A key element that sometimes differentiates IFAD from other donors is its exclusive targeting of the rural poor. A COSOP may have a targeting strategy to focus activities on specific sub-groups within the rural poor or less-favoured regions. This section will briefly describe such targeted sub-groups for each strategic objective, and the intended targeting approaches to be applied (i.e. as direct project participants, or beneficiaries of project-supported growth and employment opportunities). More detailed information on each of these target groups would be included in Key File Table 4: Target groups for the COSOP and proposed IFAD response.

Gender mainstreaming and women's empowerment Gender analysis should be incorporated into the COSOP, and in line with IFAD's targeting policy gender is presented as a component of targeting. However gender issues should be also mainstreamed throughout the report and the report should describe specific strategies required to empower women and their organisations. To facilitate this, a COSOP gender issue checklist has been drawn up in Appendix VI of the Guidelines.

Reference to Key File 4 – Target Group Identification, Priority Issues and Potential Response
Reference to IFAD Policy on Targeting

E. Policy Linkages

Linked to each of the selected strategic objectives will be a policy dimension. Key intentions for policy changes will be identified in this section for each strategic objective, along with an explanation of how IFAD intends to influence such changes (through events such as workshops, studies, visits, training, replication and scaling up, work with other donors, etc.). It should be noted that IFAD's engagement in policy issues is driven primarily by policy-relevant issues that emerge from IFAD's project activities, rather than by a broad-based policy engagement. The section will also describe IFAD's proposed role in assisting the government with rural poverty strategy/policy formulation and, in particular, IFAD's interface with the in-country processes of national poverty reduction strategy formulation, implementation, revision, updating, improvement, etc. (e.g. through participation in joint government/donor poverty reduction strategy groups).

The policy linkages section should take full advantage of the PBAS rural sector analysis to identify the policy aspirations associated with each strategic objective.

V. PROGRAMME MANAGEMENT (approximately 3.5 pages)

A. COSOP Monitoring

This section should describe the M&E arrangements for COSOP implementation itself, e.g. (i) the process of annual reporting on selected indicators by the country programme manager during COSOP implementation (using the COSOP results management framework, project status reports, aggregated RIMS reports and country programme issues sheet); (ii) arrangements for a COSOP mid-term review; and (iii) arrangements for self-evaluation at COSOP completion or CPE. Proposed dates for the mid-term review and COSOP completion evaluation will be stated.

Reference to Appendix III – COSOP Results Management Framework; the indicators for reporting will be clearly specified in the results management framework.

B. COSOP Management

This section will describe how IFAD will manage country activities in the coming COSOP period, including: (i) any field presence arrangements;(ii) country programme management team arrangements; (iii) annual country programme implementation review workshops; and (iv) diversified programme supervision arrangements (for loans, grants).

With respect to loan/grant supervision, there should be a short review of the country context and requirements with respect to supervision issues, with full reference to the IFAD supervision policy. In particular, attention should be placed on ensuring that supervision can serve as a basis for improved impact, knowledge management, learning and partnerships at country level.

This section will also describe the priorities and intended actions to improve project at risk (PAR) ratings, and therefore the PBAS country score. This PAR improvement agenda could be presented in bullet form. For example, if audit quality is a generic problem in the country programme, this section will describe the intended approach to improve the PAR ratings on audit.

Finally, this section will explain the actions required to retrofit existing IFAD operations in the country to the newly proposed COSOP. In terms of the results management framework, the existing operations will be reported in addition to the new operations.

C. Partnerships

For the purpose of COSOPs, the following definitions of partnership will apply:

- **Institutional collaboration:** This is the more “costly” form of partnership. It implies the sharing of programme responsibilities between two or more partners. This form of partnership is required in situations when a primary goal can only be pursued by working together. It can imply development of collective visions and coordinated actions for the management of resources. It can imply joint projects or joint country strategies. Institutional collaboration usually implies formal agreements and a higher degree of shared risks as well as benefits.
- **Institutional coordination:** This is a less “costly” form of partnership. It implies ensuring that development is planned with knowledge of the actions of other partners in the same area/sector. It implies ensuring that development partners ensure synergy and complementarity of operations. It implies agencies adjusting programmes to deliver benefits more efficiently. It implies sharing resources, knowledge and information to reduce costs. This form of partnership could include participation in donor coordination groups.

This section of the COSOP will describe the partnerships that are intended to be established in the delivery of each COSOP strategic objective.

In terms of COSOP implementation, these partnerships could be for the purpose of project implementation, policy dialogue, innovation or knowledge management.

Partners may include government agencies, donors, NGOs, farmers' organizations (or other member based organizations), community-based organizations and the private sector. Partnerships with other donors may involve cofinancing, sector-wide approaches, joint policy work and sharing of experience.

This section will describe **how** IFAD intends to achieve effective partnerships (for example: preparation of partnership-tracking matrixes, regular strategic bilateral meetings, video conferencing) and what the specific objectives are of the identified partnerships.

Reference to Key File 3 – Complementary Donor Initiative/Partnership Potential

D. Knowledge Management and Communication

This section of the COSOP will articulate IFAD's knowledge management strategy relative to country-level objectives. The COSOP should provide a platform to ensure that knowledge is fed back into the corporate level knowledge management processes. Above all, it will ensure that this local knowledge and experience is effectively mobilized in IFAD's country-level policy dialogue, programme implementation and programme development work.

At the country level, IFAD will adopt a learning approach to M&E in IFAD-financed country programmes. Through M&E the local and programme-level learnings will be directly used to improve the effectiveness of the country programme and further distilled and fed into the regional networks and IFAD's relevant thematic communities of practice. They will also be disseminated at country-level with a view to influence local and national policies and strategies.

The learning process will involve all stakeholders (farmer and community organizations, indigenous people's organizations, civil society organizations, private sector) and be enriched by increasing the participation of poor rural people and their organizations in monitoring and evaluation, since they are best placed to assess project impact.

E. PBAS Financing Framework

This section will describe the parameters for calculating the allocation of IFAD resources (loans and grants) for the COSOP implementation period.

The section will include the full PBAS calculation for COSOP year 1. This will show the PAR and rural sector scores and the final country score and annual allocation for COSOP year 1 (see table below for an example).

Sample PBAS Calculation for COSOP Year 1

	Indicator	COSOP Year 1
	RURAL SECTOR SCORES	
A(i)	Policy and legal framework for rural organizations	4.6
A(ii)	Dialogue between government and rural organizations	3.75
B(i)	Access to land	3.4
B(ii)	Access to water for agriculture	3.14
B(iii)	Access to agricultural research and extension services	3.75
C(i)	Enabling conditions for rural financial services development	4.25
C(ii)	Investment climate for rural businesses	3.75
C(iii)	Access to agricultural input and produce markets	4.0

D(i)	Access to education in rural areas	4.67
D(ii)	Representation	4.0
E(i)	Allocation and management of public resources for rural development	3.5
E(ii)	Accountability, transparency and corruption in rural areas	3
	Sum of combined scores	45.81
	Average of combined scores	3.8175
	PAR rating	5
	CPIA rating	3.69
	Country score	4 000 000
	Annual allocation (US\$)	16 000 000

The actual allocations for COSOP years 2, 3, 4, etc., are generated by a PBAS formula on an annual basis, and are affected by almost 100 variables and many combinations of these variables. Therefore, allocations for future years cannot be predicted in COSOP year 1 with certainty.

In line with IFAD's IFI partners, the outlining of different funding scenarios and allocations over the whole COSOP period linked to predetermined policy change priorities (triggers) will not be required for IFAD COSOPs.

However, what can be provided is a hypothetical projection, showing the implications for the country score when there is an increase or decrease in the PAR and rural sector scores. The COSOP will include such a table showing scenarios for a base case, a low-performance case and a high-performance case. These scenarios will illustrate the implications of changes in PAR rating by 1 and rural sector performance by 0.3 on the PBAS country score. An example of this is shown in the table below.

Relationship Between Performance Indicators and Country Score

Financing Scenario	PAR Rating (+/- 1)	Rural Sector Performance Score (+/- 0.3)	% Change in PBAS Country Score from Base Scenario
Hypothetical low case	4	3.434	-19%
Base case	5	3.734	0%
Hypothetical high case	6	4.034	20%

F. Risks and Risk Management

This is a new section for the COSOP and has been included due to the deletion of the logframe. The risks attached to each strategic objective should be briefly described (policy, institutional, technical, political or financial/economic), together with actions that IFAD will take to mitigate and manage these risks. Risk management could involve designing projects in such a way as to reduce risk, e.g. by selecting partners and activities that avoid areas of risk. For instance, it may be necessary to reduce resources for a strategic objective where, although there are significant potential benefits, proposed policy change has not come about so risks are considerable. Risk management also relates to portfolio management, with management actions designed to reduce risk – such as more intensive project supervision.

Total 14 pages

Appendices

Appendix I	COSOP Consultation Process
Appendix II	Country Economic Background
Appendix III	COSOP Results Management Framework
Appendix IV	Previous COSOP Results Management Framework (showing summary of key results)
Appendix V	CPE Agreement at Completion Point (if available)
Appendix VI	Baseline Poverty Analysis*
Appendix VII	Agriculture and Rural Development (optional)*
Appendix VIII	Matrix Showing Strengths and Weaknesses of the National Poverty Reduction Strategy*
Appendix IX	Project Pipeline (with quantified targets) during the COSOP period*

Key Files

Key File 1	Rural Poverty and Agricultural/Rural Sector Issues
Key File 2	Organizations Matrix (Strengths, Weaknesses, Opportunities and Threats [SWOT] analysis)
Key File 3	Complementary Donor Initiative/Partnership Potential
Key File 4	Target Group Identification, Priority Issues and Potential Response

* Appendices included in Programme Management Department and Operational Strategy and Policy Guidance Committee versions of the COSOP, but omitted from Executive Board version.

Appendix II

COSOP alignment with IFAD’s Strategic Framework

IFAD’s strategic framework will be the key reference or starting point in the preparation of each individual COSOP. In this regard, the strategic framework document provides key guidance on the boundaries for COSOP design and implementation. Two key elements of the strategic framework – the hierarchy of objectives, and the key principles for engagement - are summarized below

1. IFAD’s Development Objectives as articulated in the Strategic Framework.

The hierarchy of development objectives (see Figure below) defines the over-arching goal to which all IFAD’s work is oriented; and it articulates a logical hierarchy that provides a causal link between its outputs and the achievement of that goal. It will serve as the starting point for all IFAD’s development efforts, and the basis for results frameworks in IFAD country strategies and IFAD-supported projects, and within the organization itself.

Hierarchy of Development Objectives in the Strategic Framework

Over-arching Goal
Poor rural women and men in developing countries are empowered to achieve higher incomes and improved food security.
Strategic Objectives
<p>Poor rural women and men have enhanced access to, and have developed the skills and organization they require to take advantage of:</p> <ul style="list-style-type: none"> • Natural resources - land and water • Improved agricultural technologies and effective production services • A broad range of financial services • Transparent and competitive agricultural input and produce markets • Opportunities for rural, off-farm employment and enterprise development • Local and national policy and programming processes.
Operational outcomes
<p>In the six areas of IFAD’s strategic objectives:</p> <ul style="list-style-type: none"> • Increased incomes and enhanced food security for immediate target group of IFAD-supported projects, providing basis for evidence-based institutional and policy reform. • In-country capacities for rural poverty reduction strengthened through: <ul style="list-style-type: none"> ○ Policy framework (PRSP etc, sector policies) that enables poor rural people to overcome poverty ○ Efficient public institutions focused on core tasks relative to rural poverty reduction ○ Strengthened organizations and institutions of (or supporting the interests of) poor rural people ○ Enhanced private sector capacity and investment levels in rural economy ○ Improved capacity for programme development and implementation (government, NGO, private sector).
Outputs
<p>In the six areas of IFAD’s strategic objectives:</p> <ul style="list-style-type: none"> • Country programmes, comprising: <ul style="list-style-type: none"> ○ Innovative projects with scaling up mechanisms ○ Multi-stakeholder programmes whose direction IFAD has helped shape ○ Local and national level policy dialogue • Regional and global programmes, comprising: <ul style="list-style-type: none"> ○ projects, to build knowledge ○ policy dialogue, using experience derived through field level activities • Knowledge products: policy papers, publications, etc

IFAD's *over-arching goal* is that rural women and men in developing countries have higher incomes and improved food security. To achieve this it must realise its *strategic objective* – that poor rural women and men have enhanced access to, and are able to effectively use: (i) natural resources, (ii) improved agricultural technologies and production services, (iii) financial services, (iv) agricultural input and produce markets, (v) opportunities for rural off-farm employment and enterprise development, and (vi) local and national rural policy and programming processes. This will require the realisation of two linked *operational outcomes* – described in terms of increased incomes and enhanced food security for the immediate target group of IFAD-supported projects, and strengthened in-country capacities to for rural poverty reduction. These in turn will result from the *outputs* – the services and products – that IFAD will deliver to its member countries.

Key principles of engagement as articulated in the Strategic Framework

Selectivity and Focus. IFAD will focus on those areas in which it has a clear comparative advantage. It will not work outside the rural areas. It will not target the non-poor. It is not mandated to respond directly to emergencies and provide relief. IFAD will finance social service delivery – local water supplies, health and education facilities – *only* in response to the defined needs of local communities, where the facilities are limited in scope and critical for the achievement of project objectives, and where other financing source are not available. IFAD's expertise is specific to the rural sector: it will engage in policy dialogue *only* in the areas of its competence, and it will not use General Budget Support as a means for disbursing its resources.

Targeting. A focus on targeting is central to IFAD's identity. Its target group is made up of poor rural people, as defined by MDG1, who have the capacity to take advantage of the economic opportunities offered by IFAD engagements. IFAD's target group will vary according to local circumstance: in some countries it will be those excluded from rural economic growth, in other countries poverty will be the condition of the majority of rural people. IFAD will work mostly with those who depend on agriculture for their livelihoods. It will focus particularly on women; indigenous peoples will also be important in certain parts of the world. IFAD's experience in targeting will also shape its engagements in policy dialogue with governments and in multi-stakeholder SWAps.

Empowerment of Poor Rural People. If poor rural people are to be enabled to overcome their own poverty, they must be assisted to build the knowledge, the skills and confidence they need to pursue their own economic agenda. Yet individually, poor rural people remain marginalised; by building their own collective organizations they can better manage assets, negotiate with market intermediaries, and access economic opportunities, service providers and government officials. IFAD will work with, and strengthen the capacity of, a range of organizations formed by, and of, poor rural people. They will include those of entire communities and of specific populations or interest groups, they will be both formal and informal, and they will operate both at the local and the national levels.

Innovation, Learning and Upscaling. IFAD is not a large-scale development financier. Its role is to establish partnerships for developing innovative approaches for rural poverty reduction at the local level, testing methodologies, institutional arrangements, partnerships or technologies that are new within the context in which they are being applied. All elements of IFAD's country programmes will be expected to be innovative. Yet innovation without upscaling is of little value: all engagements will thus be expected to have internal learning arrangements, as well as mechanisms for feeding lessons to the higher, usually national, level.

Effective Partnerships. Partnerships are an important element of the Aid Effectiveness agenda, and IFAD will give increasing attention to working through them, as well as to

becoming a better partner for others. It will participate more actively in the partnerships established by the international development community; it will itself form partnerships in order to solve key problems; and it will use partnerships for influence relative to its experiences in rural poverty reduction. The key partners are with national stakeholders, but IFAD will also develop closer partnerships – operational and strategic – with other international development agencies, both in-country and at the institutional level.

Sustainability. Ensuring the sustainability of development support is critical; IFAD will give explicit attention to the issue. It will improve its project design quality, so as to ensure development impact; and it will maintain its support until such time that the impact can be sustained. It will promote national leadership over projects and programmes, which should all fit within, and contribute to, national policies and strategies. Above all, it will ensure that the projects and programmes are owned by the rural poor themselves: they will be involved in their definition and implementation, enabled to develop the skills and organization they need to manage the economic opportunities, and assisted to engage effectively and more profitably with market intermediaries and service providers beyond the life of the project.

Appendix III

How To Complete a COSOP Results Management Framework?

A. Key Principles

Accountability: For IFAD to be held accountable for delivering a country programme, the COSOP Results Management Framework must be an instrument to enable monitoring and evaluation of the progress in achievement of COSOP objectives, outcomes and milestones over a five year period. To enable evaluation, there must be a baseline, and the indicators in the Framework must be quantified in advance as precisely as feasible.

Baselines: The baseline data used to establish the starting point for each COSOP would be gathered in a Baseline Poverty Analysis (described in Appendix V of the COSOP guidelines) during the design of each COSOP. Baseline data would normally be gathered from existing data sources, not from surveys. The baseline data would need to correspond as closely as possible to the strategic objective statements in each COSOP. Surveys would only be organized when there are significant gaps in the existing data sets, and would be subject to resource availability.

Selection of strategic objectives, outcomes and milestones: The number of quantified indicators for the Results Management Framework should be kept minimal, and should be limited to key relevant data. The selection of SOs themselves will be heavily influenced by the nature of the ongoing projects in a country programme, given that the Results Management Framework is going to focus on what is going to be delivered on the ground over a five year period. The selection of outcome indicators will by and large be from the list of RIMS level 2 indicators (purpose level statements), while the selection of milestone indicators will be from the list of RIMS level 1 indicators (output level statements). However, as the RIMS indicators are rather limited, there will obviously be occasions when CPMs have to complement them with additional indicators.

Quantification of indicators: Once the baseline for each of the COSOP strategic objectives is established on the basis of existing data sources, the expected COSOP outcomes and milestones will need to be quantified. The quantification of the outcomes and milestones in the Results Management Framework would be done through two methods:

- Aggregating the expected quantified outcomes and outputs (that correspond to the SO in question) from all the ongoing loans and grants in the portfolio for the implementation period of the COSOP. For example if the Results Management Framework covers a five year period, which is characterized by 3 ongoing IFAD projects, the quantification of indicators would be done by referring to the targets in appraisal reports and progress reports of these three projects, and by estimating how much would be delivered by these projects over the COSOP period.
- Aggregating quantified targets for future projects to be processed during the COSOP period in question. This would imply including the designs and targets for future projects in a separate annex in the COSOP.

This is illustrated in the box below for a country programme with three ongoing agricultural projects. With an SO for “increased access to technology”, the quantification of the associated SO outcome indicator of “technology adoption” would be calculated by adding up the “technology adoption” targets in the agricultural components of the 3 projects already under implementation in the country programme.

Annual reporting: Once a year, the CPM would report on progress, against the baseline and the quantified targets. This would be done by aggregating the level 1 and level 2 indicators in the RIMS tables for all ongoing projects, and inserting the aggregated totals into the Results Management Framework.

Box: Example of COSOP indicator quantification for a country programme with three ongoing projects with agricultural components

<u>Strategic Objective</u>	<u>Outcome Indicator</u>	<u>Milestone Indicator</u>
<p><i>Increase in access to agricultural technologies for small farmers households (below 1 ha of land) in northeast Bangladesh - (measured by increases in rice yield and adoption of technology over a 5 year period).</i></p> <p><u>Existing baseline data</u> <i>- Pre-COSOP average rice yield in NE Bangladesh is 4.5 tons/ha. (source: national statistics 2005).</i></p>	<p><i>- 3000 small farmers report increased rice yields. (RIMS level 2 indicator)</i></p> <p><i>- 3000 small farmers (m/f) have adopted new rice technology (RIMS level 2 indicator)</i></p> <p><i>(M&E source: aggregated RIMS reports for 3 ongoing projects with agricultural components)</i></p>	<p><i>4000 small farmer households (m/f) participated in training programmes on new technologies for rice production. (RIMS level 1 indicator)</i></p> <p><i>(M&E source: aggregated RIMS reports for 3 ongoing projects with agricultural components)</i></p>

B Structure of Results Management Framework

In order to fit onto a single page, the Results Management Framework has been restricted to five columns.

Column 1: Poverty Reduction Strategy targets (or similar).

This column would list the key targets in the country’s own poverty reduction strategy (i.e. PRSP or similar) that are aligned to the selected COSOP strategic objectives (SOs). The targets should be as quantified as possible – rather than referring to vague over-arching text on PRSP pillars or themes.

Column 2: The COSOP strategic objectives.

The second column of the results framework seeks to align the COSOP SOs with the country-level PRSP objectives and targets. This second column would usually include three SOs. More than one SO can contribute to the same PRSP target or a single SO may contribute to more than one PRSP objective – the framework table can accommodate this by vertical overlapping of cells in the adjoining columns. In some cases, linkage with the PRSP may be constrained by lack of detail in the PRSP. In this case, linkages may be limited to higher order objectives – such as agricultural sector growth rather than lower order objectives such as increasing access to land for poor women. Importantly, in situations where the PRSP does not have a rural agenda, there is provision in the results framework for an additional row at the bottom of the table for an SO (or cross-cutting theme) which is not linked to the PRSP.

Column 3: COSOP outcome indicators.

The outcome indicators relate to achievement of each SO, and the contribution of the SO towards higher level country goals (PRSP pillars). These indicators are similar to purpose level indicators in a project logframe, and indicator information would usually only be available once projects have been implemented and at least reached their mid-point. These outcome indicators could be picked from the list of IFAD RIMS level 2 indicators which are included in the logframes of ongoing projects.

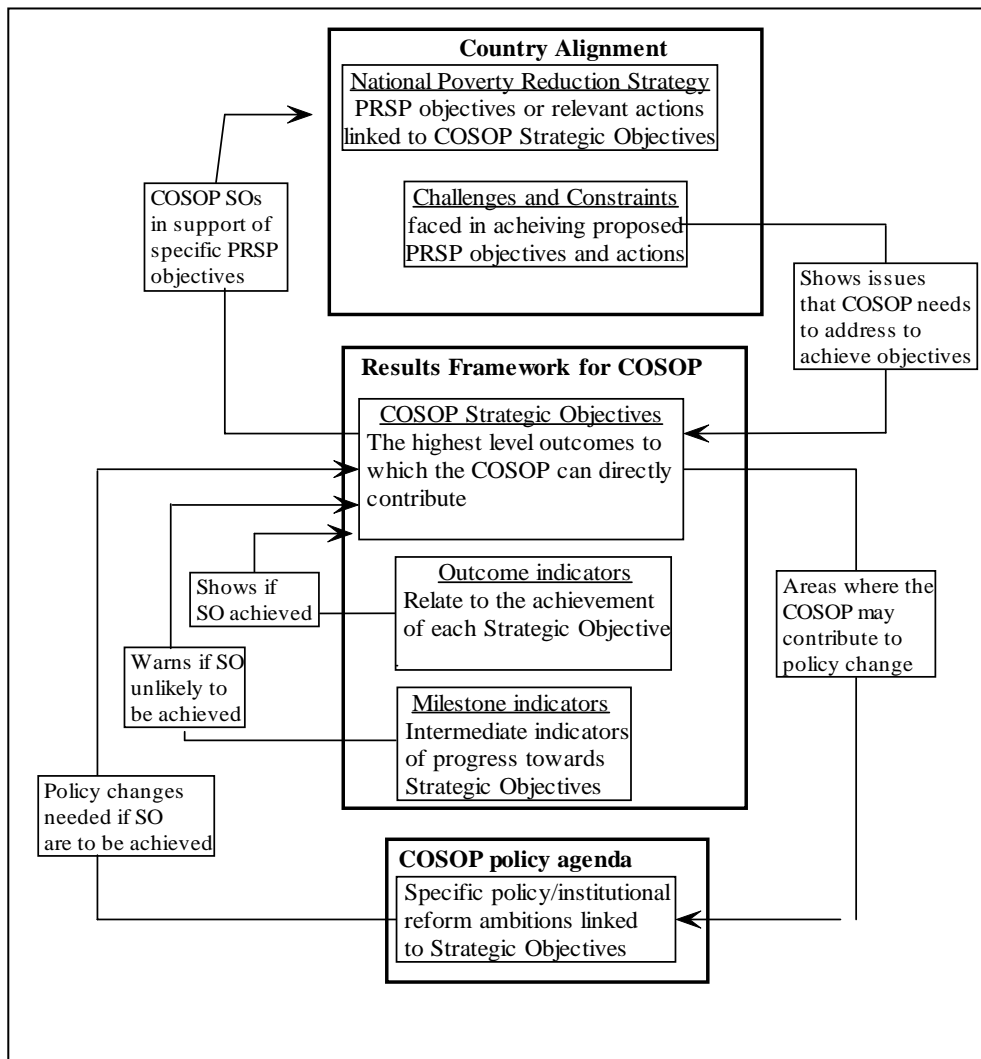
Column 4: COSOP milestone indicators.

In addition to outcome indicators, this column shows “milestones” – indicators of progress towards the achievement of SOs. Such milestones, also known as “intermediate objectives”, may show outputs (such as operational beneficiary groups) and activities (e.g. training courses). However the number of such indicators shown in the results framework should be limited to 10 to 20 so that the framework can fit on a single page. These indicators could be selected from the list of IFAD RIMS level 1 indicators.

Column 5: Specific policy/institutional reform targets related to the SOs (the COSOP policy dialogue agenda).

This column lists key policy or institutional issues linked to each SO. These issues may be areas where policy change is needed, and where IFAD activities for the SO may contribute to policy change – either as a result of policy dialogue and advocacy, or influenced by the demonstration provided by a project. These policy ambitions should be worded as detailed as possible to ensure ease of monitoring and evaluation. Furthermore, they should be selected carefully to reflect realistic chances of success, given the fact that the targets will be evaluated.

Schematic Linkages in COSOP Results Management Framework



PROPOSED FORMAT FOR RESULTS MANAGEMENT FRAMEWORK

Column 1 - Country strategy alignment	Columns 2-4 – Key Results for COSOP			Column 5 – COSOP Institutional/Policy objectives (in partnership mode)
Poverty reduction strategy (PRS) (or alternative) Targets (this text should be taken from PRS or alternative poverty strategy)	COSOP strategic objectives (max 3-5) Must include existing baseline data for each strategic objective	COSOP outcome indicators related to the strategic objectives (from projects/programmes)	COSOP milestone indicators showing progress towards strategic objective	Specific policy/institutional ambitions related to the strategic objectives (the COSOP policy dialogue agenda)

C. Example Indicators for Results Management Frameworks

COSOP results frameworks require quantified indicators to provide evidence that the Strategic Objectives (SO) are being achieved.

Selection of indicators

The use of indicators can be made into an elaborate science demanding a major workload. Using a large number of different indicators, however, has no merit in itself.

The key to good indicators is credibility – not volume of data or precision in measurement. A quantitative observation is no more inherently objective than a qualitative observation. Large volumes of data can confuse rather than bring focus. It is more helpful to have approximate answers to a few important questions than to have exact answers to many unimportant questions.

The fundamental challenge with indicators is to meaningfully capture key changes or “results”. This is accomplished by combining what is substantively valid with what is practically possible to monitor.

In development, it is often difficult to make objective and exact observations of the complex development changes we are addressing. Instead, we frequently rely on observations that approximate intended changes. We use indicators that are commonly understood to be closely related, e.g. share of social expenditures in a government budget as “proxy” for poverty orientation of national policies, or proportion of parliamentarians who are female as “proxy” for empowerment of women in national decision-making processes.

The following criteria and questions may be helpful in selecting indicators. As a memory aid, the acronym “SMART” summarizes key criteria, asking “Is the indicator specific, measurable, attainable, relevant and trackable?”

Specific:

- Is it clear exactly what is being measured? Has the appropriate level of disaggregation been specified?
- Does the indicator capture the essence of the desired result?
- Does it capture differences across areas and categories of people?
- Is the indicator specific enough to measure progress towards the result? For example, using the indicator “increase by 20 per cent in number of criminal complaints filed” may reflect a more effective justice system OR an increase in crime.

Measurable:

- Are changes objectively verifiable?
- Will the indicator show desirable change?
- Is it a reliable and clear measure of results?
- Is it sensitive to changes in policies and programmes?
- Do stakeholders agree on exactly what to measure?

Attainable:

- What changes are anticipated as a result of the assistance?
- Are the result(s) realistic? For this, a credible link between outputs, contributions of partnerships and outcome is indispensable.

Relevant:

- Does the indicator capture the essence of the desired result?
- Is it relevant to the intended outputs and outcome? To judge the relevance of indicators, the CO may have to identify the target groups and their needs, expectations and criteria.

- Is the indicator plausibly associated with the sphere of activity?

Trackable:

- Are data actually available at reasonable cost and effort?
- Are data sources known? CO should establish realistic principles, mechanisms and responsibilities for data collection.
- Does an indicator monitoring plan exist?

Be sensible and practical in applying these criteria. No one indicator will satisfy all criteria equally well. Ultimately, the choice of indicator is determined through a holistic assessment of validity and practicality. The selection of indicators is an iterative process, building on consultations between programme managers, stakeholders and partners. The process of selecting an indicator takes several steps including brainstorming ideas, assessing each one and narrowing the list (using the criteria above) and, finally, making an indicator monitoring plan

Note: UNDP has produced some useful guidance on selection of indicators for its results-based management system. This paper can be downloaded from.

<http://www.undp.org/eo/documents/methodology/rbm/Indicators-Paper1.doc>

Indicators for Strategic Objectives

SOs seek to bring about change, and should be written as “change statements” using words such as improve, increase, adopt and establish. Indicators for SOs should therefore provide evidence that these changes are taking place. Some examples of SOs and SO outcome and milestone indicators are shown in Table 1 below, however these have been left un-quantified. In a real life situation, the SOs and their associated outcome and milestone indicators should all be quantified to the extent feasible.

Use of these indicators would raise a number of issues – such as definition of target groups, and what is meant by “secure access” to resources and “community-based”. These issues become important at the project level when the impact of the project will need to be evaluated.

Most indicators for SOs can be quantified – i.e. the number of women benefiting can be recorded as can the percentage increase in crop yields. This means that quantified outcomes from the COSOP can be reported – although non-quantified result indicators may also matter – for instance a “greater understanding of the importance of the role of women amongst policy makers” could be the outcome of knowledge management work in support of an SO aiming to improve the position of women.

It is important not to confuse SOs with project outputs resulting from IFAD-supported activities, but not involving a response or change in behaviour by beneficiaries or their organisations. Examples of outputs which are not SOs include:

- Provision of agricultural extension services for the rural poor
- Development of rural infrastructure
- Provision of better market access for handloom producers
- Institutional arrangements to enable poor women to access land and other natural resources
- Development of environmentally sustainable pastoral livestock systems

Indicators for Milestones of progress towards Strategic Objectives

The COSOP results framework will include an additional indicator column for milestones showing progress towards SOs rather than actual achievement of SOs. These can relate to project outputs (such as number of community groups established) or activities (e.g. number of training courses held). They differ from indicators showing achievement SOs, which aim to capture a change in behaviour or response by beneficiaries to the IFAD-supported intervention.

Only a limited number of different indicators should be used for each SO so that the results framework can fit onto a single page. The objective in selecting indicators should be to pick ones that provide good signposts for the progress and achievements of each SO, rather than to measure everything that projects may do. For instance rural infrastructure development may include roads, bridges and other measures to improve transport, but it would only be necessary to show one of these (say roads) in the results framework as an indicator of progress towards the SO of improved rural communications.

Examples of Indicators for Strategic Objectives, Outcomes and Milestones

Strategic objectives	Outcomes for Achievement of SOs	Milestones showing progress towards SO
Increased output of cash crops by small farmers	No. of small farmers reporting increases of at least 30% in cash crop production.	No. of farmers (men/women) trained No. of farmers (men/women) involved in cash crop production
Handloom producers increase output of cloth for urban and export markets	No. of producers reporting increase on output for urban and export markets Percent of production sold in urban and export markets	No. of handloom weavers (men/women) participating No. of market development events
Transport services improved in remote areas	Percent reduction in cost of transport per tonne/km for key items No. of routes with increased frequency of bus services No. of new transport enterprises established	Km of road constructed No. of loans provided to transport operators
Adoption of effective community-based O&M systems for small-scale irrigation systems	No. of schemes (or ha. of irrigation) where community-based systems established and where effective O&M works carried out.	No. of community O&M groups established Expenditure by communities on O&M
Women establish enterprises for self-employment and increased income	No. of women establishing enterprises, working in/managing these enterprises, and no. reporting increased income.	No. of women participating in the programme No. of women trained, taking loans
Poor women increase their access to land and other natural resources	No. of poor women buying or leasing land (and area of land involved) No. of poor women getting user rights to forests or other natural resources.	No. of women participating in the programme No. of communities with agreement to allocate resources to women
Adoption of environmentally sustainable pastoral livestock systems	No. of communities (with x head of grazing livestock) adopting environmentally sustainable systems	No. of communities trained in livestock systems No. of communities agreeing to follow environmentally sustainable systems
Increased utilisation by the rural poor of agricultural support services	No. of poor hh using services before and after project intervention	No. of target group households trained Completion of research into service requirements of poor households No. of agricultural service centres established
Ethnic minorities get access to, and utilise, micro-finance services	No. of ethnic minority hh utilizing micro-finance services before and after project interventions	No. of micro-credit groups formed Value of loans disbursed
Community organisations take responsibility for provision of local infrastructure and services	No. of community organizations taking over responsibility for service provision, and no. and type of services provided.	No. of community organisations participating in the programme. No. of women's organisations participating in the programme
Rural poor increase their income through partnerships with the private sector	No. of rural poor hh involved in partnerships with private sector and income generated.	No. of partnership schemes established.

Appendix IV

Example of Country Data Sheet

BANGLADESH

Land area (km² thousand) 2004 1/	130		
Total population (million) 2004 1/	139.21		
Population density (people per km²) 2004 1/	1 070		
Local currency	Taka (BDT)		
Social Indicators			
Population (average annual population growth rate) 1998-2004 1/	1.9		
Crude birth rate (per thousand people) 2004 1/	27		
Crude death rate (per thousand people) 2004 1/	8		
Infant mortality rate (per thousand live births) 2004 1/	56		
Life expectancy at birth (years) 2004 1/	64		
Number of rural poor (million) (approximate) 1/	n/a		
Poor as % of total rural population 1/	n/a		
Total labour force (million) 2004 1/	62.36		
Female labour force as % of total 2004 1/	37		
Education			
School enrolment, primary (% gross) 2004 1/	106 a/		
Adult illiteracy rate (% age 15 and above) 2004 1/	n/a		
Nutrition			
Daily calorie supply per capita	n/a		
Malnutrition prevalence, height for age (% of children under 5) 2004 2/	45 a/		
Malnutrition prevalence, weight for age (% of children under 5) 2004 2/	48 a/		
Health			
Health expenditure, total (as % of GDP) 2004 1/	3 a/		
Physicians (per thousand people)	0.3		
Population using improved water sources (%) 2002 2/	75		
Population with access to essential drugs (%) 2/	n/a		
Population using adequate sanitation facilities (%) 2002 2/	48		
Agriculture and Food			
Food imports (% of merchandise imports) 2004 1/	19		
Fertilizer consumption (hundreds of grams per ha of arable land) 2004 1/	1 780 a/		
Food production index (1999-01=100) 2004 1/	105		
Cereal yield (kg per ha) 2004 1/	3 517		
Land Use			
Arable land as % of land area 2004 1/	61 a/		
Forest area as % of total land area 2004 1/	n/a		
Irrigated land as % of cropland 2004 1/	56 a/		
		GNI per capita (USD) 2004 1/	440
		GDP per capita growth (annual %) 2004 1/	4.3
		Inflation, consumer prices (annual %) 2004 1/	3
		Exchange rate: USD 1	BDT ***ADD RATE***
		=	
		Economic Indicators	
		GDP (USD million) 2004 1/	56 585
		GDP growth (annual %) 1/	
		2003	5.3
		2004	6.3
		Sectoral distribution of GDP 2004 1/	
		% agriculture	21
		% industry	27
		% manufacturing	16
		% services	52
		Consumption 2004 1/	
		General government final consumption expenditure (as % of GDP)	5
		Household final consumption expenditure, etc. (as % of GDP)	76
		Gross domestic savings (as % of GDP)	19
		Balance of Payments (USD million)	
		Merchandise exports 2004 1/	8 150
		Merchandise imports 2004 1/	12 026
		Balance of merchandise trade	-3 876
		Current account balances (USD million)	
		before official transfers 2004 1/	-4 239
		after official transfers 2004 1/	-279
		Foreign direct investment, net 2004 1/	449
		Government Finance	
		Cash surplus/deficit (as % of GDP) 2004 1/	-0.7
		Total expenditure (% of GDP) 2004 1/	n/a
		Total external debt (USD million) 2004 1/	20 344
		Present value of debt (as % of GNI) 2004 1/	26
		Total debt service (% of exports of goods and services) 2004 1/	5
		Lending interest rate (%) 2004 1/	15
		Deposit interest rate (%) 2004 1/	7

a/ Data are for years or periods other than those specified.

1/ World Bank, *World Development Indicators* database CD ROM 2006

2/ UNDP, *Human Development Report*, 2005

Appendix V – Example Key Files

These key files are matrix/tables based on those required for the IFAD Design Document for new IFAD projects.

Table 1: Rural Poverty and Rural Sector Issues

Priority areas	Affected group	Major issues	Actions needed
Severe to moderate malnutrition, especially among children and women	Small tenants, and landless households	<p>Limited or no access to land for the production of the staple crop, sorghum, due to inefficiency in capturing the floods of the Gash river, land fragmentation, and accumulation of land by the clan leaders. These households rely on solidarity from the clan leaders and members, and on external food assistance.</p> <p>Access to alternative opportunities is restricted by illiteracy, limited mobility (for women), morbidity (for women and men), and appropriate financial mechanisms.</p>	<ul style="list-style-type: none"> • Conduct a land use survey in order to determine tenancy distribution, irrigation and cultivation frequency. • Develop alternative options for the re-distribution of the land and for increasing security of tenure, especially in favour of poor households and women. • Rehabilitation of the Gash flood irrigation scheme to increase use efficiency of captured water. • Develop rational use of forestry resources by herders, charcoal makers and builders, in order to guarantee a sustainable stream of benefits for concerned parties. • Develop income-earning potential for poor households through literacy, vocational training and small credit disbursement to women and men. • Nutrition and health awareness for women and men. • Set up of a Disaster Preparedness Fund.
Invasion of arable land by mesquite trees	Gash rehabilitation corporation, Farmers' Union, Ministry of Agriculture, charcoal makers (young men, poor men)	Expansion of mesquite is due to poor management of water, and weeding. It is now used as a source of fodder and also used by the poor to generate income from charcoal making. Given the areas that are covered with mesquite, one can say that it has become the second most important crop in the Gash area after sorghum.	<ul style="list-style-type: none"> • Conduct a livelihood assessment in order to determine benefits and disbenefits from mesquite. • Develop alternative options for the management of mesquite trees, and for managing the demand for wood as source of energy and as construction material. • Diversify sources for fodder production and for generating off-farm income.
Low irrigation efficiency	All farming groups, Farmers' Union, Gash Authority, MoA, and federal MoF.	<p>This situation is due to a number of inter-related issues: lack of timely and comprehensive maintenance because of poor financing; low recovery of operation and maintenance costs because of low payment of water rates; low accountability and transparency for the financial support provided from Federal government.</p> <p>Tenants are not willing to pay because they do not see a direct link between payment of water rates and improvement in irrigation efficiency. In addition, the intermittent, unreliable and insecure access to irrigated land does not encourage investments in goods that have a collective economic value.</p>	<ul style="list-style-type: none"> • Negotiate with different stakeholders a shared vision for the equitable and sustainable development of the Gash. • Negotiate modalities for stability and security of land tenure. • Negotiate modalities for cost recovery, introduction of cash crops in order to sustain O&M, diversify and increase farming incomes. • Negotiate roles and responsibilities of Gash Corporation, Farmers' Union and farmers. • Outcome of negotiations is embodied in a set of statutes that would have the force of law. • Rehabilitate the scheme.

Priority areas	Affected group	Major issues	Actions needed
Poor livestock productivity	All herders and livestock owners from the Beja and non Beja tribes	Re-stocking since the drought of 1984 has been uneven among the livestock owners. The Rashaidah seem to have been able to reconstitute their stocks whereas the Hadendowa have not been able to. Livestock productivity is constrained by decrease in her size per Hadendowa household, lack of forage sources and high cost of supplementary feed. Also, the husbandry practices emphasize quantity of herds rather than productivity and quality. The Gash die area is the major livestock production zone and the productivity of the range depends on water run-offs caused by the poor maintenance of the flood irrigation scheme.	<ul style="list-style-type: none"> • Develop management capacity of Gash Corporation, Farmers' Union and water users' associations. • Establish an effective livestock extension service and integrate into the existing extension system. • Improve forage production on the GAS. • Rehabilitation of the flood irrigation scheme and water management should also take into consideration livestock and range needs. • Loans to help households re-stock.
High illiteracy rates among women and men	All groups	Education and literacy is increasingly in demand, particularly among women. High illiteracy persists as "khalwa religious education" seems to be preferred to formal education ; high costs of children education ; and high involvement of girls and boys in domestic and agricultural tasks.	<ul style="list-style-type: none"> • Rehabilitation of existing schools and their facilities in order to make it more attractive for enrolment of girls (walls, female teachers, etc...) • Alternative community and state financing for the poorest households. • Diversify household income and introduce labour saving techniques that would decrease reliance on child labour.

This table is derived from the poverty and sectoral analysis. Information to support the analysis may be derived from COSOP background studies, but is often already available from other documents (e.g. World Bank, regional bank or other donor's agricultural sector paper and/or poverty review, national Poverty Reduction Strategy Paper), and should be interpreted in light of IFAD's goals and proposed country strategy. The gaps identified (column 3: Actions needed) may lead into proposed COSOP Strategic Objectives, however it should be recognised that many of these needs maybe outside the scope of IFAD interventions or being addressed by other donors.

Table 2: SWOT analysis of key partner organizations

ORGANISATION	STRENGTHS	WEAKNESSES	OPPORTUNITIES/THREATS	REMARKS
Enablers				
State Ministry of Education (MOE)	<ul style="list-style-type: none"> • Qualified staff • Teachers employed and deployed in rural centres • Training capabilities especially for women and youth 	<ul style="list-style-type: none"> • Lack of resources • Lack of operating funds • Classic bureaucratic attitude and mind-set 	<ul style="list-style-type: none"> • Possible entity for women's literacy programmes and awareness outreach • Provision of secondary education to semi-nomadic children 	<ul style="list-style-type: none"> • Provision of primary and secondary education • Implementation of women's education programmes
State Ministry of Engineering Affairs (MEA)	<ul style="list-style-type: none"> • Water supplied to Aroma and Tendeli • Staff capability for water supply operation and maintenance 	<ul style="list-style-type: none"> • Lack of resources • Lack of operating funds • Classic bureaucratic attitude and mind-set • Water supply network in urgent need of replacement 	<ul style="list-style-type: none"> • Enhanced role in water point construction and maintenance • Provision of machinery services for road construction and maintenance 	<ul style="list-style-type: none"> • Provision of rural water supplies • Registration and supervision of maintenance for potable water points
Local Government	<ul style="list-style-type: none"> • Linkage with the rural population • Provision of education and health services in rural centres • Large pool of staff 	<ul style="list-style-type: none"> • Poor revenue base to provide essential services • Reliance on State remittances for salaries and wages • Poor governance • Lack of accountability 	<ul style="list-style-type: none"> • Improved local governance and liberalization • Participation in land tenure • Enhanced primary education and health services 	<ul style="list-style-type: none"> • Provision of health, education and local water supplies, and rural roads maintenance
Service Providers				
Agricultural Bank of Sudan (ABS)	<ul style="list-style-type: none"> • IFAD culture with degree of flexibility in lending modalities • Bank branch in Kassala • Experienced provision of financial services to smallholders 	<ul style="list-style-type: none"> • High overhead costs and lending rates • Declining role in development financing • Limited in 	<ul style="list-style-type: none"> • Innovative financial services to poor farmers and community groups • Input supply and linkage to Gash Development Authority • Marketing Services 	<ul style="list-style-type: none"> • Formal credit provider in previous IFAD projects
Client Organisations				

This analysis is designed to help characterise the prospective local partners for IFAD's interventions and other activities with regard to their known strengths and foreseeable potential, and current weaknesses and possible future deficiencies. In addition it underscores the capacity building needs that projects would have to address, either directly or through a change in policy. The organisations are categorised as: enabling institutions, i.e., those charged with developing policy frameworks and allocating resources (usually government, national or local), service providers, e.g., banks, NGOs, training institutions (may also include government entities) and client organisations, e.g., water user associations, village associations, etc. Where possible, organisational capacities and processes would be captured, including, organisational culture and (power) relations with other organisations.

Table 3: Donor activities and key partnership opportunities with IFAD

Agency	Priority sectors and areas of focus		Period of current country strategy	Complementarity/Synergy Potential
World Bank	<ul style="list-style-type: none"> Human development (education, health, nutrition) Rural development (agriculture, rural infrastructure, non-farm sector) Private sector development 		<ul style="list-style-type: none"> 2001-2004 	<ul style="list-style-type: none"> Agriculture: WB and IFAD are active members of the Local Consultative Group on Agriculture, which is currently chaired by the Bank. IFAD and the WB are currently jointly preparing a programmatic re-engagement in the agricultural sector (entitled the National Agricultural Technology Programme - NATP). Microfinance: WB and IFAD are active members of the Local Consultative Group on Finance, currently chaired by the Bank. WB and IFAD are both actively supporting the PKSF microfinance programme. This long term institutional support is likely to continue in the future.
Asian Development Bank	<ul style="list-style-type: none"> Promoting Sustainable Economic Growth <ul style="list-style-type: none"> a. Agriculture and Natural Resources b. Transport and Communications c. Energy d. Financial Sector (including SMEs) 	<ul style="list-style-type: none"> Fostering Social Development <ul style="list-style-type: none"> a. Education b. Urban Water Supply, Sanitation, and Urban Development c. Health Good Governance 	<ul style="list-style-type: none"> 2006-2010 	<ul style="list-style-type: none"> Agribusiness: Both AsDB and IFAD are actively supporting agri-business development in Bangladesh. There are opportunities for sharing of lessons on the experience gained in this field. Given IFAD's future focus on rural entrepreneurs in the new country strategy, there may be opportunities to cofinance future agribusiness programmes should suitable opportunities arise. Rural infrastructure (transport, water resources): IFAD and AsDB have had a long term partnership in support of LGED rural infrastructure programmes in Bangladesh. This partnership could continue in the future should suitable opportunities arise.
Japan (JICA / JBIC)	<ul style="list-style-type: none"> Agricultural/rural development; Education; Health Arsenic contamination countermeasures program Electricity 	<ul style="list-style-type: none"> Roads and bridges Information and communications technology Environment (air pollution countermeasures and waste disposal); Private-sector development (export industries); Disaster countermeasures. 	<ul style="list-style-type: none"> From 2000 	<ul style="list-style-type: none"> Infrastructure: IFAD and Japan have had a long term partnership in support of LGED rural infrastructure programmes in Bangladesh. This partnership could continue in the future should suitable opportunities arise. Recent discussions between JICA, JBIC and IFAD have focused on possibilities to share lessons on haor/char development, microfinance, and crop sector development/diversification.
DFID (UK)	<ul style="list-style-type: none"> Pro-poor growth Human development Women's advancement 	<ul style="list-style-type: none"> Social protection Participatory governance 	<ul style="list-style-type: none"> 2003 to 2006 	<ul style="list-style-type: none"> Access to common property resources: IFAD and DFID have a long term ongoing partnership in the fisheries sector through jointly financing the Community Based Fisheries Management Programme. This partnership might continue in the future should suitable opportunities arise. Micro-finance: DFID and IFAD are both active members of the LCG on finance and both institutions are planning to work together in support of a new microfinance innovation programme entitled PROSPER. Small enterprise development: DFID is currently funding a programme entitled KATALYST which supports business development services in Bangladesh. Given IFAD's future focus on rural entrepreneurs, there may be opportunities to work together in support of agribusiness programmes, should suitable opportunities arise.
USAID	<ul style="list-style-type: none"> Health Food security for vulnerable groups Improved management of open water and forest resources 	<ul style="list-style-type: none"> Growth of agribusiness and small business Strengthening institutions for democracy Improved performance of energy 	<ul style="list-style-type: none"> 2000 to 2010 	<ul style="list-style-type: none"> Access to common property fishery resources: Both IFAD and USAID have supported community based fisheries projects (MACH, CBFM) for many years in Bangladesh and there are opportunities for sharing of lessons between the two institutions. Small enterprise development: USAID has been supporting private sector development

Agency	Priority sectors and areas of focus		Period of current country strategy	Complementarity/Synergy Potential
		sector		and agribusiness development for many years. Given IFAD's future focus on rural entrepreneurs in the new country strategy, there may be opportunities to work together in this sector.
DANIDA	<ul style="list-style-type: none"> • Agriculture (including rural roads) • Water and sanitation 	<ul style="list-style-type: none"> • Human rights, democracy and good governance • Local grant authority 	<ul style="list-style-type: none"> • 2005 to 2009 	<ul style="list-style-type: none"> • Agriculture : DANIDA and IFAD have been supporting agricultural development in Bangladesh for many years. This is likely to continue through DANIDA's new ASP5 II and the IFAD/WB financed NATP. There will be major opportunities for cooperation and lesson sharing between these new programmes. • Recent discussions between IFAD and DANIDA have focused on possible cooperation in the southern chars, with links between IFAD's Market Infrastructure Development Project and DANIDA's new ASP5 II.
Netherlands	<ul style="list-style-type: none"> • Health • Education • Water 		<ul style="list-style-type: none"> • 	<ul style="list-style-type: none"> • Infrastructure related to the water sector: Netherlands, AsDB and IFAD have a long term partnership in the small-scale water resource sector. This partnership could continue should suitable opportunities arise. • Chars: There is an ongoing co-financing partnership between Netherlands and IFAD in support of poverty reduction in the southern chars of Bangladesh. This partnership will likely continue for the next 7 years.
CIDA (Canada)	<ul style="list-style-type: none"> • Health • Education 	<ul style="list-style-type: none"> • Governance • Private sector development (including SME, agriculture) 	<ul style="list-style-type: none"> • 2003-2008 	<ul style="list-style-type: none"> • Micro-finance : CIDA and IFAD are both active members of the LCG on finance and both institutions are planning to work together in support of a new microfinance innovation programme entitled PROSPER.
SDC (Switzerland)	<ul style="list-style-type: none"> • Non Formal Education • Micro and Small Enterprise Promotion 	<ul style="list-style-type: none"> • Sustainable Land Use • Local Governance 	<ul style="list-style-type: none"> • 2003-2007 	<ul style="list-style-type: none"> • Micro-finance: SDC and IFAD are both active members of the LCG on finance and both institutions are planning to work together in support of a new microfinance innovation programme entitled PROSPER. • Both IFAD and SDC have prioritized working in the north-eastern district of Sunamganj. There are opportunities to coordinate implementation approaches in this district, for example work through the same community groups.
SIDA (Sweden)	<ul style="list-style-type: none"> • Social development (health, education, gender equality, access to social services) • Democracy, local government, economic development 		<ul style="list-style-type: none"> • 2002 to 2005 	<ul style="list-style-type: none"> • Microfinance: SIDA and IFAD are both active members of the LCG on finance and both institutions are planning to work together in support of a new microfinance innovation programme entitled PROSPER.

This table should describe interventions (projects/programmes) sponsored by major donors that are currently ongoing or planned in the country that relate to the proposed COSOP strategic objectives. The last column of the table should identify potential for complementarity and synergy between the donor initiatives and the proposed SOs.

The activities of other donors in key sectors would be tabulated in Key File Table 3 (Donor Activities and Key Partnership Potential). In many countries this could show individual donor projects, however in some countries with high levels of donor activities, it may be necessary to show donor activities on a sub-sector basis to keep the table to a manageable size (1-2 pages). In either case, the table should also show where there are existing or potential linkages with IFAD activities.

Table 4: Target groups for the COSOP and proposed IFAD response

Typology	Poverty Level and Causes	Coping Actions	Priority Needs	Support from Other Initiatives	COSOP Response
Extreme poor with productive potential	Extreme <ul style="list-style-type: none"> • Under 1,800 kcals/head/day • Few assets (poultry) • No land or only 0.05 acres • Floating population and migrants • Victims of natural disasters not yet resettled • Little access to credit (even informal) • Few economically active household members 	<ul style="list-style-type: none"> • Search for temporary employment and accommodation • Domestic service • Scavenge food, fuel and fish • Sell possessions (cooking utensils) at time of hardship 	<ul style="list-style-type: none"> • Employment • Food assistance • Homestead • Limited self employment • Health, nutrition support 	<ul style="list-style-type: none"> • Employment generation such as WFP food-for-work and LGED labour contracting societies • Food transfers such as vulnerable group development • Housing / settlement programmes such as Ardasha Gram.. • Target group for BRAC Targeting the Ultra Poor Programme giving income support, grants, intensive training and social support. • Target group PKSF's Financial Services for the Poorest project. • Limited participation in micro-credit but for income generating activities still limited by lack of assets and household labour, high drop-out rate. 	<ul style="list-style-type: none"> • Target group for employment on labour intensive rural infrastructure works • Fishers often in this category – may benefit from improved access to common property fishing resources • Other projects may enable access to land and micro-credit for this group. • This group will also benefit from employment on farms and rural and peri-urban enterprises supported by future programmes.
Small farmers/entrepreneurs	Vulnerable <ul style="list-style-type: none"> • Small farmers vulnerable to agricultural disasters • Debt burden • Lack access to bank credit and NGO microfinance • Low profitability of farming • Lack access to markets etc. 	<ul style="list-style-type: none"> • Migration • Credit from relatives and moneylenders, mortgage land • Some join NGO micro-credit groups • Livestock • Small businesses 	<ul style="list-style-type: none"> • Agricultural development • Small business promotion • Health • Education 	<ul style="list-style-type: none"> • Agricultural extension programmes • Some participate in NGO micro-credit programmes 	<ul style="list-style-type: none"> • Small and marginal farmers are target group for agricultural technology support. • Small rural entrepreneurs target group for enterprise development

This table provides a typology of the groups that are to be targeted by the COSOP SOs. Their specific needs that the SOs will address (or not – it is also important to recognise which needs will NOT be addressed by the project and why) are also elaborated. There are several possible ways of grouping the beneficiaries. Minimum differentiating attributes include indicators of economic and social positions, for instance as per: (i) access to land (own and common property), (ii) main production system (including access to irrigation), (iii) perceived wealth ranking by society, (iv) assets (including type of livestock owned), (v) sources of income (including off-farm activities), (vi) ethnic origin (indigenous/non), (vii) migratory pattern if any, (viii) food security/vulnerability (average length of yearly food shortage), etc. Gender differentiation is an important concern when describing the composition of the groups within the target group. As many (or as few) categories should be used to describe the project target group.

Insights into the causes of poverty, coping actions and priority needs may be obtained from a combination of existing studies, key informants and any background studies carried out for the COSOP – especially participatory poverty assessments.

Appendix VI

How to undertake a COSOP Baseline Poverty Analysis

Introduction.

This appendix is intended to be used in support of the preparation of Appendix VI of a COSOP – the ‘Baseline Poverty Analysis’. Much of the material for this appendix has been derived from the following papers. (i) Asian Development Bank: Results Oriented Country Strategy and Programming: Country Poverty Analysis, and other Essential Steps and Processes - Interim Guidelines, January 2005; (ii) A. Carloni: Poverty Analysis Section of Paper on Review of IFAD Experience; and (iii) A. Lubbock: Targeting Upstream of Project Design – COSOP Checklist.

The need for a Baseline Poverty Analysis in IFAD Results-based COSOP’s arises from the fact that a key aspect of the specificity of IFAD assistance is the directing of its benefits in support of the socio-economic development of poor, especially very poor, rural women and men. This targeting is defined as: *“the set of purposefully designed actions and measures which ensure, or at least significantly increase the likelihood, that specific groups of poor people – and women and men equally - will benefit from the development initiatives it supports; while at the same time diminishing the risk that less poor will benefit disproportionately.”* In order to arrive at these purposefully designed actions and measures it is necessary to know: who are the rural poor; where are the rural poor; how poor are they; and the structure and causes of their poverty. A second major reason for preparing the Baseline Poverty Analysis is to establish the starting point (baseline) for the COSOP to enable measurement of IFAD’s impact over the COSOP implementation period.

The following paragraphs provide an indicative approach to the organisation of Appendix VI of a COSOP.

I. The Country Poverty Situation

Data Sources. In preparing a COSOP, it is usually sufficient but also necessary to complete a preliminary baseline poverty analysis based on secondary sources and key informant interviews at the national level, with the aim of: (i) understanding the baseline situation at the start of the COSOP period for the purpose of facilitating evaluations at the end of the COSOP; and (ii) making informed choices about where IFAD should concentrate its resources, geographically, thematically and in terms of people and partnerships, since the time allotted for COSOP missions is usually too short to permit the collection and analysis of primary data.

Key secondary sources of poverty data, poverty analyses and strategies for addressing rural poverty are likely to include:

- Government: the National Poverty Reduction Strategy (NPRS) or its equivalent; sector analyses and strategies for rural development and agriculture;
- World Bank, International Monetary Fund, Regional Banks, some bilaterals: joint staff assessments commenting on NPRS; reviews of rural development and agriculture strategies; donor-generated country-level poverty assessments including participatory poverty assessments;
- the UNDP Human Development Report for the country;
- statistical annex of World Bank’s annual World Development Report;
- WFP Vulnerability Analysis and Mapping (VAM) reports;
- FAO Country level Food Insecurity and Vulnerability Monitoring Systems Reports (FIVIMS);
- Global Early Warning Systems Reports (GIEWS) and Food Balance Sheets;
- Research reports by reputed NGOs such as Oxfam, ActionAid, etc.

- social indicators related to health, education, nutritional status, demography and access to basic needs such as clean drinking water, roads, electricity and communication media;
- statistics on gender inequality and women's rights;
- Governance and human rights indicators;
- environmental indicators, e.g. the World Bank's Little Green Book; and
- monographs on political economy issues.

A. Who and Where Are the Poor

Review of secondary data sources should, in the first instance, provide information who and where the poor are. Typically, this information will comprise income and non-income data.

Income Data. Most quantitative poverty assessments describe poverty in terms of being above or below a 'poverty line', defined as the cost of an adult's minimum daily food requirement, expressed in Kilocalories. This consumption measure is usually referred to as "income" poverty and on the basis of sample surveys, estimates are made of the proportion of people in a region or occupational category, who have a per capita consumption or expenditure below this pre-defined poverty line. This allows 'poverty mapping' and hence initial geographic targeting of poverty reducing development assistance.

Income poverty data is normally expressed in terms of:

- 'incidence', i.e. the percentage of people in a region or socio-occupational category whose per capita consumption is below the poverty line;
- 'headcount', i.e. the absolute number of poor people in a region or socio-occupational category. This is important because those geographic areas or socio-economic categories with the highest absolute numbers of people below the poverty line are not necessarily the same as those with the highest proportion of below the poverty line. Those wishing to reduce poverty may wish to be able to make an informed choice between highly populated areas with high numbers but a low proportion of poor people and sparsely populated areas with low numbers but a high proportion of poor people; and
- 'depth of poverty', i.e., the extent of the gap between the average income and the poverty line.

Income poverty data often include a 'Gini coefficient' or 'Gini Index', a mathematical expression of the degree of inequality of income distribution among a surveyed population.

Non-Income Poverty Data. Non-income poverty is usually characterised by four categories of data:

- household assets;
- access to economic resources;
- access to social services; and
- representation of interests.

Household asset data usually reports on: quality of housing and range of household consumer goods owned.

Access to economic resources usually includes: land – areas owned, rented, operated and quality; water; livestock; equipment – on-farm/off-farm equipment for subsistence and sales production; inputs; and credit/financial services.

Access to social services usually includes measures of health status and access to health services and measures of educational status and access to education.

Typical education data includes: literacy rates; school enrolment/dropout rates; availability by types/levels of education –primary, secondary, vocational etc;

Typical health data may include: access to potable water; morbidity patterns and other epidemiological and disease incidence measures; life expectancy; mother/child health data; and availability by type and level of health services.

Data related to representation of interests may include: enfranchisement; participation or being a representative in national and local government; and participation/membership in formal or informal interest groups/Non-Governmental Organisations/Community-based Organisations. Typical specific issues arising in this context relate to gender differences, ethnicity, caste, and physical remoteness from centres of decision-making.

In most country circumstances, extraction of income and non-income poverty data from review of secondary sources will provide a reasonably clear picture of: who are the poor, including allowing identification of different types of poor; how many of them there are; and where they are located. It will provide an account of the manifestation of their poverty in terms of consumption patterns, access to assets, access to social services and their participation, or more typically the nature of their non-participation, in the formal and non-formal institutions of civil society.

Data Assessment

Having reviewed secondary sources, it is useful to then provide a brief assessment of the available income and non-poverty data. Typical elements of such an assessment are identification of any methodological problems with data collection, analysis and presentation and identification of any gaps in terms of aspects or geographical coverage. Of special importance is the extent to which data is disaggregated by sex to enable a gender analysis.

B. Dynamics of Rural Poverty

The data reviewed under Part A above will provide a snapshot of rural poverty but perhaps only indirect indications of the social and economic dynamics which give rise to it. Where possible it is desirable in order to address this consideration by writing the following four sections.

(i) Trends

Having to the extent possible identified in Section A above the types, numbers and location of rural poor, it is useful if trends in poverty increase or reduction among these groups are described. This will depend upon the availability of comparable poverty data at two or more points in time. Identification of trends provides a first step in moving from a primarily descriptive account of the country's rural poverty towards a more dynamic causal account.

(ii) Vulnerability

The second step towards a more dynamic account is to analyse what reviewed secondary sources may have to say about how poverty relates to different types of vulnerability and risk among different categories of poor rural people.

Usually, three types of vulnerability assessments and analyses can be found: food insecurity; gender disparities; and the rural labour market. Vulnerability assessments and analyses are likely to address the following questions: What are the main sources of shocks affecting rural sectors of the country?; What regions of the country are affected by different types of shocks?; Who are the people most exposed to these different main shocks?; and What are the main coping strategies among these differentially vulnerable groups for dealing with the shocks that affect them?

(a) **Food Insecurity.** The main sources of information on food insecurity are likely to be WFP and FAO vulnerability analyses and early warning reports. If possible describe:

- the incidence of food insecurity among different categories of the rural poor (e.g. farm families; women-headed households; youth; and rural wage labour) and the geographical distribution of food insecurity;
- the reasons for food insecurity among the different categories of rural poor (including reference to critical environmental factors);
- the coping strategies deployed with respect to food insecurity of the different categories of the rural poor; and
- the measures (technical, institutional, financial) most likely to reduce vulnerability to food insecurity with respect to the different categories.

(b) **Gender differences.** Many, probably most secondary sources of data will have passages seeking to explain the relationship of poverty status to gender differences. If possible describe:

- the differential legal and institutional status of rural men and women;
- ownership or access to primary resources, including land, water, livestock, employment, farm and non-farm equipment and finance;
- access to social services relevant to in particular to gender specific health and education needs;
- the different coping strategies of women and men in the face of lack of access to assets and services; and
- measures most likely to reduce gender-related vulnerabilities, including violence against women.

(c) **The Rural Labour Market**

Proper functioning of the labour market is central to the distribution and hence poverty reducing impact of the benefits of any economic growth arising from development assistance. Usually, large numbers of the rural poor are self-employed, in the informal sector, seasonally and underemployed and highly vulnerable to the vagaries of underdeveloped or inefficient labour markets. Information that can inform a labour-intensive, employment generating approach to economic growth mediated by a properly functioning labour market is consequently of interest to those concerned with reducing rural poverty.

This section should briefly provide

(i) basic employment and labour –related data including:

- Employment, unemployment, and underemployment rates;
- sectoral distribution (people employed in agriculture, industry, services);
- the informal sector;
- the self-employed;
- incidence of seasonal labour;
- regional variations;
- changes in participation rates (especially for women);
- real wage dynamics; and
- compliance with national and international labour laws and standards including the reported existence of child or bonded labour and violations to other Core Labour Standards.

(ii) based on (i) above, an assessment of the current and potential capacity of the rural economy to absorb labour, including:

- projections of new entrants to the rural labour market during the period of COSOP coverage; and
- identification of those sectors and geographic areas showing actual and potential capacity to absorb labour;

(iii) a brief overview of the role of the private sector in contributing to rural poverty reduction;
and

(iv) based on (ii) and (iii) above, findings and recommendations on:

- which labour-absorbing sectors to support with a view to best reducing rural poverty;
- which geographic areas to focus on with a view to best reducing rural poverty;
- which types/groups of rural poor are likely to benefit most from support and focus specified in the two previous items; and
- identification of associated technical, institutional and policy measures to promote their employment and employability.

II. Policy and Institutional Contexts of Rural Poverty Reduction

This chapter should review the strategies and plans for rural poverty reduction in the country in two sections: (i) Government strategies and plans; (ii) those of Other Development Actors, including multilaterals, bilateral and Non-Governmental Organisations; and (iii) the private sector.

Each section should describe relative to the reviewed strategies and plans:

- the key policies;
- the principal thrusts in sector activity terms, e.g. agriculture, rural development, small and medium enterprise development, rural financial services, etc (in the cases of sector strategies and plans attention should be maintained on commenting on the extent to which are or are not poverty-focussed);
- identification of poverty reduction goals, associated targets and indicators;
- the groups/types/numbers of rural poor expected as being the principal beneficiaries, especially bearing in mind gender differences;
- the geographic coverage;
- the role, if any, of the private sector; and
- the key institutions for delivering the strategies/plans, with where possible an assessment of their strengths and weaknesses.

III. IFAD's Strategic Niche in Country Rural Poverty Reduction.

On the basis of a rationale and identification gaps and opportunities in rural poverty reduction in the country derived from Chapters I and II this chapter should describe:

- the proposed principal thrusts of IFAD-supported rural poverty reduction in sector activity terms;
- preliminary identification of poverty reduction goals, associated targets and indicators and their relationship to the Millennium Development Goals (to be eventually fed into the COSOP's Results);
- those groups/types/gender/numbers of rural poor (men and women) expected to benefit from IFAD support (In particular, where 'indirect' investment is recommended, for example support financial services development to allow rural business owners to expand their enterprises with a view to employing more people, then the linkage between the investment and socio-economic benefits accruing to the rural more needs to be spelled out);
- geographic coverage;
- key institutions to be involved;
- implications for policy dialogue;
- sought-for strategic public, private and donor community partnerships; and
- recommendations, if any, for supplementary poverty data collection required to better inform the preceding elements of this chapter. Recommendations should be made so as to demonstrate: relevance to enabling delivery on the identified IFAD poverty reduction goals and thrusts; practicality in terms of human and financial resources and timing; quantifiability; and objective verifiability.

For each of the recommended thrusts in the country programme, the existing data gathered as part of the Baseline Poverty Analysis should be used to illustrate the pre-COSOP baseline position.

Appendix VII

Checklist for Inclusion of Gender Issues in COSOP Document

The following is intended as a reminder of gender-related information that should be provided when compiling the different sections of the COSOP Document.

II. COUNTRY CONTEXT

A. ECONOMIC, AGRICULTURAL AND RURAL POVERTY CONTEXT

i. Country Economic Background

Key data should include gender-related human poverty data (eg. female life expectancy, maternal mortality, participation by girls in education,). This data is generally widely available at country level.

ii. Agricultural and Rural Poverty

Poverty analysis should included references to the status and roles of rural women, including GEM and GDI indexes where available.

B. POLICY, STRATEGY AND INSTITUTIONAL CONTEXT

Under ii) . National Rural Poverty Reduction Strategy, the Report should mention any provisions made in the national poverty reduction strategy (or equivalent) to improve the position and status of rural women.

III. LESSONS FROM IFAD'S EXPERIENCE IN THE COUNTRY

A. Past Results, Impact and Performance

Where the information is available this section should include references to past results in addressing gender issues.

B. LESSONS LEARNED

Where available, include lessons in addressing gender equality/women's empowerment issues.

IV. IFAD COUNTRY STRATEGIC FRAMEWORK

A. IFAD COMPARATIVE ADVANTAGE AT COUNTRY LEVEL

Identify any comparative advantage for IFAD in promoting gender equality and women's empowerment, based also on lessons from past experience.

B. STRATEGIC OBJECTIVES (SO)

i. Strategic Framework

Consider including women's empowerment as a Strategic Objective, or address women's issues as a cross-cutting theme. The COSOP could recall IFAD's three-pronged strategy for gender equality/women's empowerment: (i) expand women's access to and control over fundamental assets (capital, land, knowledge and technologies); (ii) strengthen their agency, and thus their decision-making role in community affairs and representation in local institutions, and (iii) improve well-being and ease workloads by facilitating access to basic rural services and infrastructure.

C. TARGETING STRATEGY

As specifically required by IFAD's Targeting Policy the COSOP should "address gender differences and have a special focus on women within all identified target groups – for reasons of equity, effectiveness and impact – with particular attention to women heads of household, who are often especially disadvantaged".

D. POLICY LINKAGES

Where appropriate, include policy and institutional issues that address the needs of women.

V. PROGRAMME MANAGEMENT

B. COUNTRY PROGRAMME MANAGEMENT

The description of M&E and annual reporting arrangements should reflect attention to targeting and gender issues as required by the Targeting Policy and the Gender Plan of Action.

Keyfiles

Keyfile Table 1 **Rural Poverty and Agricultural/Rural Sector Issues**

Issues and actions specifically related to women to be mentioned under the different “priority areas”.

Keyfile table 3 **COSOP target groups and proposed IFAD response**

As required by the Targeting Policy gender-specificities should be noted within the different Target Group Typologies.

Appendix VIII

How to prepare a COSOP Completion Report?

Information on the outcome of the preceding COSOP should be included as an Appendix. This would amount to 2-4 pages including tables and, if a longer COSOP Completion Report has been prepared, then this would be a summary. The CCR would be a self-evaluation carried out by the IFAD country team, and may feed into a more detailed Country Portfolio Evaluation carried out by OE.

The COSOP Completion Report (CCR) could include paragraphs on the following:

1. Introduction – including period covered by the COSOP
2. Context – overall economic performance and political developments in the country during the period
3. Country poverty alleviation objectives and results – progress made at the country level in meeting PRSP and MDG targets, and areas where IFAD has made a particular contribution.
4. IFADs lending programme and other activities implemented during the COSOP period and whether these were as envisaged in the COSOP.
5. Progress towards Strategic Objectives – the objectives of the COSOP and the degree to which they could be achieved.
6. IFAD performance - portfolio performance indicators and outcomes in terms of country team development, partnerships, innovation and knowledge management.

The progress towards Strategic Objectives should be assessed in terms of: (i) relevance to national (PRSP) goals and IFAD strategies; (ii) selectivity with regard to IFAD's comparative advantage at the country level and harmonisation with other donors; and (iii) effectiveness – realism of the expected outcomes and actual achievement with evidence from key indicators. This should also include any cross-cutting objectives including gender issues. Data for indicators may be an aggregation of project level RIMS and other M&E data. This approach is in line with the framework for Country Portfolio Evaluations.

Although old-format COSOPs do not have strategic objectives and results frameworks, it should be possible to identify their objectives and assess the degree to which these objectives were achieved. Such retrofitting of results frameworks to old-style country strategies is now the practice for World Bank Country Assistance Strategy Completion Reports.

Information on IFAD performance can be obtained from the most recent country performance issues sheet, but should relate to objectives and aspirations mentioned in the COSOP. In old-style COSOPs this section may include portfolio management, partnerships, and policy dialogue. Unlike Strategic Objectives, these are results that are within the direct responsibility of IFAD management.

The analysis of the country progress in poverty reduction, COSOP results and IFAD performance should lead to a number of lessons that are relevant for IFAD operations and development of future IFAD strategy. These lessons should seek to identify what works and what does not work.

Much of the information in the CCR could be summarised in a matrix format – an example layout of such a matrix is shown below based on an example from the World Bank. Alternatively (or in addition) the outcomes can be shown on the Results Framework that is used for planning the COSOP.

CCR conclusions and lessons would be discussed in a stakeholder workshop with representatives from government, other donors and civil society. This may be the same workshop that would be held for the inception of the new COSOP. It is important that the CCR is available at this time and so is useful for the formulation of the new COSOP. For this reason the CCR will need to be quickly prepared and detailed consultations and field work would not be appropriate.

COSOP Completion Framework

	STATUS AT COSOP DESIGN	STATUS AT COMPLETION	LESSONS LEARNED
A. Country Strategic Goals: Those parts of a country's long term development strategy (PRSP or similar) to which the COSOP is aligned.	What was the status of key indicators for these goals at the start of the COSOP period?	Have these goals changed during the COSOP period? What progress was made by the country towards these longer term strategic goals?	In retrospect were there any important country development objectives to which IFAD should have contributed, but did not?
B. COSOP Strategic Objectives: The main pillars of the COSOP being the highest order change in behaviour that an IFAD project or other activity can hope to directly influence	What were the main issues that SOs were proposing to address? Where they appropriate in terms of relevance and selectivity?	What progress was made towards achieving each of the COSOP strategic objectives?	What are the most important factors that contributed towards achievement of the COSOP objectives? If there was a lack of real progress towards the SO, what were the most important factors that contributed towards the lack of real progress? How will the country team ensure that this learning is taken forward into the next COSOP design?
Strategic Objective 1		Result indicators	
Strategic Objective 2		Result indicators	
Strategic Objective 3		Result indicators	
C. IFAD Performance: How well did IFAD perform during the COSOP period? This covers issues within the direct managerial responsibility of the IFAD.	COSOP objectives for: <ul style="list-style-type: none"> • Portfolio management • Country team development • Partnerships and consultation • Innovation • Knowledge management 	What progress has been made in each of these areas?	What are the most important factors responsible for satisfactory or unsatisfactory portfolio performance? What partnerships have worked well, and where have there been disappointments? What important innovations have potential for up-scaling and replication? What knowledge management activities need improving? How will this learning be taken forward in subsequent COSOP design and implementation?

Appendix IX

How will the COSOP be evaluated?

The following text is taken directly from the OE Guidelines for undertaking Country Programme Evaluations (CPE's).

Quality of the Country Strategy

1. **Purpose.** This chapter provides an analysis and evaluation of IFAD's country strategy to determine whether it positioned the Fund to attain the highest possible poverty reduction impacts for the given resources and optimized the role it can play. The following guidance should be used by the evaluation team to prepare field instruments prior to the mission and when compiling the draft and final report. This chapter should not be longer than 6 pages, with additional information provided in annexes as necessary.

A. Description of IFAD's Country Strategy

2. **Purpose.** This section of the report should provide a concise description (not analysis or interpretation, which will follow in the next section of the CPE report) of the content of the country strategy and its evolution: (a) IFAD's niche, targeting (geographical and otherwise), and strategy; (b) opportunities for partnerships (cooperation with bilateral, multilateral, and local partners); (c) agenda for policy dialogue; and (d) plans for knowledge sharing. This information serves as a reference for analyzing how well the strategy was prepared and articulated and how well it was implemented, both of which are covered in later sections of the CPE report. The country strategy may be the latest COSOP, or if the time span for the evaluation goes further back than 1995 (when COSOPs were first introduced) or only one more recent COSOP exists, other planning documents or the "implicit" strategy as pursued by the programme should be used and summarized here. Recurring themes across strategies should be highlighted as much as newly emerging subjects. The evaluation team will note, when reading the COSOP, that the recent generation of country strategies require the preparation of a logical framework, an assessment of beneficiaries needs, and an overview of the roles of other partners, which are contained in the annexes to the COSOP. These annexes form a crucial part of the design of the strategy and may be reproduced, if necessary, in an annex to the CPE for reference. The reconstructed logical framework will be based on these documents.

3. **Data Sources.** Strategic planning tools prior to COSOPs, COSOPs, and documents produced in preparation of the COSOP, IFAD guidelines on COSOPS.

B. Analysis of IFAD's Country Strategy

4. **Analysis.** The design of the country strategy should be analyzed to determine whether it formed a sound and useful strategy to guide IFAD's operations so that they would attain highest possible rural poverty reduction impacts for IFAD's resources. The analysis should also include a comparison of the main text in the COSOP and the annexes (logical framework, etc.) to assess whether the COSOP and its annexes are internally consistent. The following key questions may guide the analysis. A narrative of the findings, highlighting the main strengths and weaknesses of the country strategy, should be provided in this section of the report to substantiate the assessment provided in section III.D.

Guiding Questions:

(1) Did the analysis identify key challenges to reducing rural poverty? How do they compare with those identified by the evaluation team (section II.C.), i.e., did IFAD have the right analytical understanding of rural poverty reduction challenges at the time? How well did the country strategy address these challenges, i.e. were goals set for overcoming obstacles or for improving challenges and a strategy (a set of phased/sequenced and priorities projects and non-project activities) developed and presented in line with this goal? (Note: this discussion will entail the thematic dimension of the CPE and should link up with the themes identified and raised in section II.C.).

(2) How well was IFAD's role and value added identified? For instance, was the analysis in the key files (if available in the country strategy) realistic and substantive? How well did the country strategy analyze IFAD's strengths and weaknesses and those of other development partners? Did the country strategy correspond to MDGs, the government's own priorities and strategies such as expressed in

the poverty reduction strategy paper (PRSP), IFAD's strategic objectives, and objectives set out in the regional strategy? How well were IFAD policies (PBAS, rural finance, rural enterprises, and gender) reflected in the country strategy?

(3) How well did the country strategy analyze IFAD's target groups and their needs? Were factors that contribute to gender inequality identified and specific needs of woman among the rural poor analyzed and understood? Do the needs described in the country strategy correspond with the needs (and challenges) that the evaluation team identified (section II.C)? Were target groups well enough differentiated to develop a strategy that corresponded to their needs? Did the country strategy present information that explains whether the identified target group(s) were below (how far) or around the poverty line? Was information provided on geographical areas and the incidence of poverty in them, which would justify IFAD's choice in working these areas, assuming the strategy had a geographical focus?

(4) Did the strategy provide clear guidance for operations to follow? Did the strategy articulate specific goals and objectives, and if so can their attainment be measured (e.g. lifting a certain percentage of the rural poor sustainably above the poverty line), and were these realistic in relation to the given resources? Did the strategy define specific target groups, and if so, did it address the needs of woman among the rural poor? Did the strategy provide criteria for selecting among different options and prioritizing interventions? Did the strategy foresee a sequence of projects (loans and TAGs) and non-project activities (policy dialogue, partnerships, and knowledge sharing) that IFAD would undertake over the COSOP period? If so, did they form a coherent package? Did the strategy address questions of debt relief and sector-wide approaches and their implication for IFAD operations?

(5) What were the criteria used to identify opportunities for partnerships? How well were these opportunities suited to implementing the strategic intent of the country strategy? What types of partnerships were sought (cofinancing and/or others)? Were there missed opportunities that could have been recognized at the time, or in hindsight? Were, for instance, opportunities explored/analyzed for participating in sector-wide approaches, did other partners pursue interesting approaches and initiatives in which IFAD would have been well placed to participate, were processes under way in which IFAD participation would have been beneficial to the country and to IFAD?

(6) What were the criteria used to identify opportunities for outreach and working with NGOs, community groups, local agents of research and innovation? What roles and types of partnerships did the strategy foresee for working with these groups? Were there missed opportunities that could have been recognized at the time, or in hindsight?

(7) How well did the issues identified for policy dialogue match the underlying policy concerns of the key challenges to rural poverty reduction? How well was the policy dialogue agenda articulated: were the stakeholders and their concerns analyzed, was the need for harmonization with other policies identified, were specific targets set for policy impact, and a process defined for pursuing this dialogue? Did the IFAD policy agenda fit into the policy agenda pursued by other partners individually and/or through sector-wide approaches, if implemented in the country?

(8) Did the country strategy determine channels for innovation and sharing knowledge? If so, how well was the approach defined?

C. IFAD's Capacity for Strategy Development

5. **Information and Analysis.** This section should provide an analysis of IFAD's performance in defining the strategy. The quality of the country strategy is an indication of how well it was prepared, but in addition, this section should analyze the process and the resources that were used to prepare the country strategy to understand how well IFAD has performed in this respect. It is important to consider the quality of the product (the country strategy) and of the process in relation to resources spent, which may be benchmarked with the resources and processes of other development agencies, (e.g., World Bank for resources and type/quality of analytical work, others for partnerships and innovation) to identify areas in which IFAD has an advantage and where IFAD can learn from others. A narrative of the findings should be provided in this section of the report to substantiate the assessment provided in the subsequent section.

Guiding Questions:

(1) Analytical Work. How much time and resources did IFAD spend on preparing the country strategy? Which source documents were used? Were additional analyses carried out? If so, of what issues and what is the quality of these analyses? Were these analyses needed or did they cover ground that had been researched before? Were other areas not researched but should have to understand better the key challenges to rural poverty reduction? Were the resources spent on preparatory work sufficient?

(2) Consultation & Participation. How much consultation took place during the preparation of the country strategy and with whom? Were all necessary partners in government and outside, and other development partners involved, or were some potential partners left out? Was the country strategy preparation linked to other processes, for instance the preparation of the PRSP, an agriculture sector or rural development strategy, or a round table for donor coordination? If so, was it a useful possibility for identifying opportunities for partnerships and if not, was it a missed opportunity?

(3) Ownership. Did IFAD attempt to develop ownership within the government of the country strategy? If so, how successful was that attempt? What role does and should the country strategy play in the national planning framework?

(4) Flexibility & Continued Relevance. Given the dynamic processes within the country, how well did IFAD adjust the country strategy to changing needs? Is the COSOP flexible enough a tool to respond to changing needs, while still providing strategic guidance? In this

context, an assessment is required to determine whether the strategy was relevant at design and remains relevant today, thanks to necessary and timely updates.

(5) *Learning from Experience.* Did the country strategy present meaningful lessons from experience (that conform to OE findings) and articulated an areas for improving the portfolio? How specific and realistic are these areas for improvements? Once implemented, how would changes/results be measured? Was an action plan developed as well?

6. **Sources.** Background documents for the preparation of the COSOP, IFAD staff, key informant interviews with stakeholders in government and other development partners working in the agriculture and rural development sectors or on poverty reduction programmes with a rural focus.

D. Assessment: Quality of the Country Strategy

7. **Purpose.** This section aims to answer the question whether the country strategy positioned IFAD in such a way that it would succeed in maximizing IFAD's rural poverty reduction impacts. The assessment of the country strategy quality in terms of design (rather than its implementation, as discussed in chapter IV of the CPE) will contribute to improving IFAD's strategic planning capacities, which are essential for positioning the Fund and making best use of its resources. This type of analysis will also support the new operating model that places greater emphasis on country-level work. In addition to the assessment, the CPE report will point to opportunities for improving country strategies, such as identifying key challenges and opportunities that have not been identified in previous COSOPs, but would increase the effectiveness IFAD's development effectiveness, or opportunities missed for working with others.

8. The evaluation team will use the criteria provided in Table 1 to assess the quality of the strategy. The criteria and performance against them will form the basis for a narrative assessment and rating, which will combine the ratings given against each criterion into one overall assessment.

Table 1: Rating Scale – Quality of the Country Strategy

Assessment Criteria	Ratings					
	Highly satisfactory (6)	Satisfactory (5)	Partly satisfactory (4)	Partly unsatisfactory (3)	Unsatisfactory (2)	Highly unsatisfactory (1)
Appreciation of Key Challenges to Rural Poverty Reduction	Comprehends underlying root causes of rural poverty, including sensitive political and social issues.	Comprehends symptoms and causes of rural poverty, but avoids or does not understand root causes.	Describes symptoms of rural poverty, but does not understand or mention causes.	Generic description of symptoms of rural poverty.	Generic description of rural poverty or discussion of agriculture development rather than rural poverty.	Does not understand rural poverty issues, misinterprets facts and arrives at wrong conclusions.
Analysis of IFAD Target Groups and Their Needs	Detailed analysis of target groups and diverse needs including an assessment of the needs of women among the rural poor, indigenous people, and landless.	Good analysis of target groups, but the diverse needs are not well articulated. Some but not all diverse target groups (women, indigenous people, etc.) featured in the analysis.	Target groups are listed in general terms with cursory mention of diverse needs. One but not all diverse target groups (women, indigenous people, etc.) featured in the analysis.	Broad mention of target groups but without differentiation of different groups. No particular assessment of gender issues.	Rural poor are treated as one target group, ignoring diverse groups and diverse needs. Ignorant of gender needs.	No or wrong ideas about IFAD's target groups.
Relevance and Clarity of Goal and Objectives	Specific, measurable goals & objectives linked to MDGs and IFAD's strategic objectives. Strategy has remained relevant in a timely way through regular updates.	Goals & objectives are linked to MDGs and IFAD's strategic objectives, but are not sufficiently specific. Strategy has remained relevant through regular updates.	General goals & objectives are stated, but without stating their link to MDGs and IFAD's strategic objectives. Strategy has remained relevant.	Goals & objectives are not articulated in a way that they present clearly IFAD's intentions. Strategy has not remained relevant or updates were not undertaken in a timely way.	Goals & objectives are generic statements that do not express any clear intention. Strategy is not relevant at design nor updated and current at time of evaluation.	Goals & objectives contradict IFAD's strategic objectives and/or MDGs and are not directed at rural poverty reduction. The strategy is outdated.

<i>Assessment Criteria</i>	<i>Ratings</i>					
	<i>Highly satisfactory (6)</i>	<i>Satisfactory (5)</i>	<i>Partly satisfactory (4)</i>	<i>Partly unsatisfactory (3)</i>	<i>Unsatisfactory (2)</i>	<i>Highly unsatisfactory (1)</i>
Structure of strategy & sequence of assistance	Coherent internal logic in line with results-chain concept, explicit sequence of assistance, and clear guidance to operations.	Good internal logic and operational guidance; sequence of assistance not explained in detail.	The logic of the design framework shows some flaws (e.g. inconsistent inputs and outputs), but still provide reasonable operational guidance.	The logic of the design framework is flawed and/or inconsistent with the main text of the country strategy.	The logic of the design framework is flawed and/or inconsistent with the main text of the country strategy and fails to provide operational guidance.	The country strategy follows no internal logic, provides no or poor guidance to operations and does not understand how to sequence assistance.
Identification of partners and partnership opportunities & plan for building partnerships	Range of partners identified, including roles and value generation from joint work.	Range of partners identified, but without explicit statement of the value added of specific partnerships.	A number of partners are mentioned as potential cofinanciers for specific projects.	A number of other aid agencies that are working in the country are mentioned but without identifying opportunities for working together.	Key partners were not identified and opportunities for partnerships were missed.	Major possibilities for partnerships were missed and IFAD remained excluded from important processes.
Innovation, Replicability & Scaling-Up	Identified areas in which innovative solutions are needed, presented ideas for developing and testing them, incl. risk analysis.	Identified areas in which innovative solutions are needed, but did not yet develop approaches.	Innovation is mentioned in general terms, but without identifying specific ideas.	Cursory mention of innovation.	Ignored areas in which innovative solutions were needed and could have been developed by IFAD (missed opportunity).	No mention of the need for innovation, although innovative solutions were essential.
Agenda for Policy Dialogue	Addresses issues that are central to rural poverty reduction with clear policy goals. Understands entry points to policy development process.	A number of specific issues for policy dialogue are stated that are important to the strategy.	Issues for policy dialogue are stated in general terms, or are pitched at a micro-level (irrelevant to policy dialogue).	Issues for policy dialogue are irrelevant to policy formulation (outdated, not of policy nature).	Questions for policy dialogue were not identified, although some cursory mention may have been included in the strategy.	No agenda for policy dialogue specified, or the issues on the policy agenda were wrong and detrimental to the rural poor.

Appendix X

Format for COSOP Client Feedback Survey

The International Fund for Agricultural Development (IFAD) is very interested in receiving feedback from its key country partners on its performance and image. Your anonymous responses and comments to the questions that follow will contribute to a major attempt by IFAD to obtain feedback from you in a systematic and timely manner. Your participation in this survey is highly valued and very much appreciated.

1. What country you operate in?

2. Which type of organization best describes the one you belong to?

- Ministry of Finance (National government)
- National planning entity (National government)
- National implementing partner (National government)
- UN organization
- International financial institution Bilateral
- Non-governmental organization (Civil society)
- Community-based organization (Civil society)
- Farmer organization (Civil society)
- Organization of rural people (Civil society)
- Private sector
- Other (please specify)

3. Kindly rate the following statements according to your best judgement:

	Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree	Don't know
IFAD is a valued partner to my organization						
I am very familiar with the work that IFAD does in my country						
IFAD is perceived as a valuable partner by the Government of this country						
IFAD's projects and programmes reflect national priorities						
IFAD is flexible in accommodating changing needs during the course of a programme or project						
IFAD is effective in integrating programmes/projects into Government systems						
IFAD's operational performance is satisfactory						

4. To what extent do the following characteristics describe IFAD for you?

	To a very great extent	To a great extent	To some extent	To a small extent	Not at all	Don't know
Programme funding						
Technical assistance						
Knowledge development and sharing						
Policy Advice						

5. To what extent is IFAD active in the following practice areas?

	To a very great extent	To a great extent	To some extent	To a small extent	Not at all	Not applicable
Strengthening the capacity of the rural poor people and their organizations						
Improving equitable access to productive natural resources and technology						
Increasing access to financial services and markets						
Promoting empowerment of women and gender mainstreaming						

6. To what extent is IFAD perceived as a critical partner in the following areas?

	To a very great extent	To a great extent	To some extent	To a small extent	Not at all	Not applicable
Strengthening the capacity of the rural poor people and their organizations						
Improving equitable access to productive natural resources and technology						
Increasing access to financial services and markets						
Promoting empowerment of women and gender mainstreaming						

7. To what extent is IFAD perceived as a critical partner in:

	To a very great extent	To a great extent	To some extent	To a small extent	Not at all	Not applicable
a. Institutional/policy reform						
b. Capacity development						
c. Advocacy						
d. Strengthening participatory processes/relations with						

civil society						
e. Strategic partnerships						
f. Knowledge development and sharing						
g. Innovation						

8. To what extent does IFAD involve beneficiaries of its programmes and projects?

- A great deal
- A fair amount
- A little
- Not at all
- Don't know

9. How has IFAD change in the last two years in the following areas?

	Improved	Slightly improved	No change	Slightly worse	Worse	Don't know
National ownership of IFAD projects /programmes						
Achievement of significant results						
Country presence						
Access to global network of development knowledge						
Facilitating partnerships for development results						

10. How effective is IFAD in supporting national development compared to other multi and bilateral partners in this country?

- Better than average
- Slightly better than average
- Average
- Slightly worse than average
- Worse than average
- Don't know

11. How familiar are you with IFAD's country programme management team?

- Very familiar
- Familiar
- Somewhat familiar
- Not very familiar (Skip to comments section)
- Not at all familiar (Skip to comments section)

12. To what extent is IFAD working together with other partners in a coordinated manner?

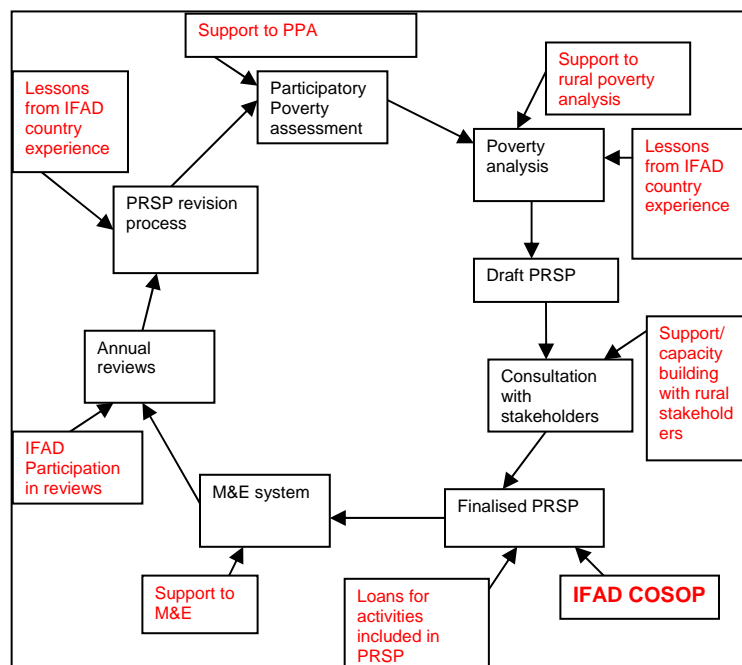
- A great deal
- A fair amount
- A little
- Not at all
- Don't know

13. Comments: Please add any comments that would be helpful to IFAD in understanding the results of this survey and/or in improving the quality of its services in this country.

Appendix XI

COSOP linkages with the PRSP Cycle at Country level

As part of work-in-progress to enhance IFAD engagement in PRSP, the figure below outlines the PRSP cycle and identifies possible entry points for IFAD engagement in the cycle.



Participatory Poverty Analysis, Poverty Analysis, and stakeholder consultations, and M&E:

One of the most important preparatory stages of a PRSP is a Participatory Poverty Analysis, which is linked to a more formal Poverty Analysis. Where this Analysis is of a high quality, it can provide a key source of information for defining the COSOP baseline. Where the Analysis is of lower quality, there may be an opportunity for IFAD to provide technical assistance to improve the Analysis. Capacity building for relevant Government departments and/or rural stakeholder organizations –with the view to influencing the rural focus of the PRS process- can contribute to elaborating/delivering on the COSOP policy agenda. Support to PRS monitoring can also strengthen the COSOP’s results framework.

PRSP drafting and finalization

Ideally, the COSOP should be prepared once a PRSP is finalized. In the case of good synchronization, the COSOP can be an agreement between IFAD and the partner country as to how IFAD will support the implementation of the PRSP. However, in some cases, perfect synchronization will not be possible. It may make sense for IFAD to support the development of appropriate sector strategies – agriculture, rural development, water and sanitation- as an entry point for subsequent alignment process with the more detailed implementation strategies and influencing resource allocation to the rural sector.

Describing the link to the PRSP in the COSOP Results Management Framework

The first column of the Results Management Framework should summarize the key quantified targets in the PRSP that relate to the selected Strategic Objectives in the COSOP.

Appendix XII

Sample Budget for Results Based COSOP

Cost of COSOP process in Bangladesh (July - December 2005)

1. Consultants		Mallorie mission leader	Nathan agriculture/ fisheries	Sajjad poverty/ sociology	Alamgir rural finance
Days	Field	0	0	0	0
	Dhaka	14	23	7	7
	Travel	2	0	0	0
	Home	5	26	0	0
	Total	21	49	7	7
Fees	Rate	460	350	300	300
(\$/day)	Total	9660	17150	2100	2100
Per diem	(\$/day)				
	Field	39	0	0	0
	Dhaka	187	2618	4301	0
	Total	2618	4301	0	0
Airfares		3000	1000	0	0
Terminals		120	120	0	0
Misc		100	100	50	50
Totals USD		15498	22671	2150	2150
Grand total USD					42469
2. COSOP design workshop		no	rate		
	Discussant	5	300		1500
	Venue rent	1	320		320
	Lunch etc	25	9		225
Grand total in Taka					
Grand total USD					2045
3. Local travel and expenses			days	rate	
	Car hire		14	26	364
Total	Consultants	42469			
	Workshop	2045			
	Local travel	364			
		44878			

notes:

no cost for wrap-up meeting as this was held in Ministry of Finance

This example budget is an actual budget for a recent results-based COSOP in Bangladesh. The costs will vary from country to country, but a rough estimate of USD 45,000 should be sufficient to cover the design phase of a COSOP.

Appendix XIII

Example Format for Detailing the Project Pipeline for the COSOP Period

Each new Results Based COSOP should include a specific Appendix outlining possible intervention(s) to be formulated during the life of the COSOP. These interventions/projects could be financed by either loans or grants. As it is acknowledged that there will frequently be a shortage of detailed information on future project design, it is suggested that the description for each proposed project be limited to one page, and that the following format is followed for each proposed project.

(a) **Possible geographic area of intervention and target groups.** This should describe the target group and targeting approach to be followed. In the case of project area, a preliminary identification of the project geographic and administrative location should be provided.

(b) **Justification and rationale:** This section should describe the justification and rationale for the project, in other words the key development opportunity that the project will achieve and why IFAD has the comparative advantage to respond to it.

(c) **Key Project Objectives.** This section should summarize the project objectives, and the link between these objectives and the quantified targets in the COSOP Results Management Framework. This section should also summarize which COSOP policy objectives will be achieved by the proposed project.

(d) **Ownership, Harmonization and Alignment:** To the extent possible, this section should explain how the project targets are aligned with targets in the PRSP (or alternative), and how the project is harmonized with the activities of other donors in the same sector of intervention. It should also be possible to identify potential partnerships and to determine if the project would be part of a SWAP arrangement or a contribution by IFAD to a larger sector umbrella project or program.

(e) **Components and activities.** Although, it is difficult at this stage to establish how many components and activities would be finally agreed upon, a preliminary description should be provided based on the objectives selected.

(e) **Costs and financing.** Even though it is not possible to provide disaggregated figures for costs associated with distinct components and activities, an indication of the total budget for the project should be included (aligned with PBAS allocations). The total project costs for the COSOP period should not be more than the estimated total PBAS for the COSOP period (based roughly by extrapolating the PBAS Year 1 total over the number of foreseen years of the COSOP). Contribution by government and beneficiaries cannot be determined at this time, however an indication should be provided of the interest of other donors to contribute towards financing the initiatives outlined

(f) **Organization and management.** Equally, it is not possible to provide detailed information on how the project would be implemented however, it is possible to identify who would be (and at what level), the Government's lead agency in the process of project formulation and the implementing agency. It is also possible to determine at this juncture if an independent implementing unit would be established or the project would be part of an existing one (including a SWAP arrangement), or other implementation modality.

(g) **Monitoring and Evaluation indicators.** Detailed RIMS indicators cannot be provided at this time. However this section should highlight the relevant quantified targets in the COSOP Results Management Framework, and should (a) identify indicators used by other organizations, and explore the possibility of making use of them for the project M&E system; (b) explain how the proposed project will contribute to achieving these targets, (c) how and when in the process baseline information is to be collected, (d) approach to standardization of information and reporting.

(h) **Risks.** All specific risks to the possible project cannot be determined at this stage. However this section would attempt to identify some of the potential risks and explain how the ones described in the COSOP relate to the proposed project.

(i) **Timing.** An indication on the timing for project formulation should be provided so as to dovetail with the Government's investment strategy and timeframes.

Appendix XIV

Guidelines on Knowledge Management

Introduction

Knowledge management is about facilitating the processes by which knowledge is created, shared and used. It is about changing the way everyone works, which requires changing people's behaviours and work patterns. Knowledge management is essentially about people - how they create, share and use knowledge, thus knowledge management programmes should have both a "collecting" and a "connecting" dimension.

The collecting dimension involves linking people with information. It relates to the capturing and disseminating of explicit knowledge. The connecting dimension involves linking people with people - specifically people who need to know with those who do know, and so enhancing tacit knowledge flow through better human interaction and communication processes, so that knowledge is widely disseminated and not just held in the heads of a few.

The result-based COSOP knowledge management component should aim at an integrated approach of managing knowledge, by combining both the collecting and connecting dimensions. Furthermore, KM activities need to be embedded in all processes and not considered as an add-on.

Successful and coherent implementation of a knowledge management component requires the adoption of an integrated and holistic approach. Such an approach should take into consideration the following:

- External factors (partners, donors, networks, local, national, regional and global factors)
- Organizational context (management behaviours, institutional pressures, funding cycles)
- Relationships and collaborations within and across organization (networks, ICTs, communication plans, core and support functions)
- Organizational knowledge (creation, sharing, storing, using knowledge, key activities and tools, packaging and communication of messages)

When information is applied to doing something and is globally applicable, it becomes knowledge. This definition, although valid, has one major weakness: it does not acknowledge that knowledge is a human creation or social construct. Knowledge workers evaluate, analyse, and adapt knowledge to their own material, political and social conditions. Thus development of knowledge becomes a process. This process in turn entails a process of questioning and reflection which is different from knowledge contained in a finished product. The questioning and reflection will lead to the creation of a finished knowledge product.

How will knowledge management unfold in result-based COSOP?

In order for the knowledge management component to add value, knowledge has to be harvested, analyzed and disseminated systematically.

KM activities should also result in and be a conduit for creating multi-purpose products which can be utilized for advocacy purposes.

The result-based COSOP is a knowledge intense document (contains operational and project management knowledge) whereby the process of knowledge management runs throughout the entire document, thus constituting a valuable foundation for KM and communication activities at country level.

The result-based COSOP, as the strategic framework for IFAD investments in a country, spells out the:

- key knowledge areas and related thematic compacts linked directly to the three identified strategic objective
- partnerships

- major processes required to operationalize knowledge management, especially those aimed at stimulating the exchange of local knowledge in articulation with the corporate processes.

Practical steps

Use the strategic objectives to identify key knowledge areas and relevant partner(s) who will assist in identifying critical, relevant knowledge generation and capturing opportunities. KM activities should focus to:

- identify key audiences and stakeholders
- identify who needs what knowledge and in what form using techniques such as knowledge audit
- manage the exchange of knowledge and learning among stakeholders in country
- ensure that learnings from the field and partners are identified and communicated to the corporate level
- facilitate the access of external and corporate information and knowledge for local partners.
- stimulate knowledge exchange, including innovations within the activities carried out by the local communities and other partners
- using knowledge harvesting techniques assist in knowledge capturing
- support local communities and rural poor people's organizations to engage with national policy fora and practice networks
- regularly synthesize information and knowledge
- link up with external agency events, research institutes and consultancy firms
- organize sharing and exchange through knowledge bases, physical documentation, electronic files and national workshops

The captured knowledge will subsequently be packaged and disseminated through appropriate communication channels (such as the Rural Poverty Portal, regional newsletter, corporate events and publications) to the identified audiences/stakeholders.

The annual review process provides an opportunity to assess and document progress, shortcomings, what worked and what has not and link these back to the strategic objectives and the key rural poverty/rural development thematic topics identified at the outset.

This will then result potentially to having an inventory of activities/initiatives with upscaling potential and the learning captured will feed into the next COSOP cycle.

The KM partner(s) should be an integral part of the country programme team, participate in all relevant meetings.

Knowledge management and learning tools

In order to ensure that the learning that emanates from the implementation of the knowledge management component is systematically captured and disseminated it is recommended that all those involved carry out:

- knowledge audit in conjunction with the audience research/identification phase
- knowledge harvesting
- peer assist
- after action review
- identify and document best or good practices

A knowledge audit is a systematic process to identify knowledge needs, resources and flows, as a basis for understanding where and how better knowledge management can add value. Typically this process is carried out through face-to-face interviews; workshops; focus groups and e-discussions. Below is a check-list of questions that may be explored:

Knowledge

- What are the core tasks and processes carried out by different groups and people?
- What constitutes useful, applicable knowledge for the execution of these tasks and processes?
- How is this knowledge generated, identified, shared, stored and applied in core operations?
- How might improved generation, sharing, storing and application of knowledge be monitored?

Relationships and processes

- What existing and planned systems and processes can support the knowledge sharing and learning strategy, and how should they be deployed?
- What existing and planned initiatives might influence and support the generation, sharing, storing and application of knowledge?
- What is the nature of key relationships within the organization? How formal/informal are these relationships? How do they impact upon issues of knowledge and learning?

Organizational contexts

- How can human resources, information technology, information management and other support functions be better integrated to support the knowledge and learning 'vision'?
- How might existing structures support the KM strategy?
- How might leadership and governance support the KM strategy?
- What are the perceived costs and benefits of improved knowledge and learning?

External factors

- How does the principle of 'horizontal coordination' work in practice and how can it be strengthened?
- How might the political, economic, and cultural contexts in which the country and/or project/programme operates impact upon the development and implementation of an effective knowledge and learning strategy?

In order to ensure that the learning is captured at all stages, it is recommended that the result-based COSOP adopts a knowledge harvesting approach.

Knowledge harvesting is an approach that allows the tacit knowledge or know-how of experts to be captured and documented. Knowledge exists in two forms: explicit knowledge, which is easily captured and shared; and tacit knowledge, which is more experiential and intuitive, and so is less easy to articulate. Knowledge harvesting is about trying to make some of the tacit knowledge more explicit. Its aim is to help make better and wider use of their existing knowledge by extracting it from the heads of a few key people and making it available to a much wider range of people.

The ultimate goal of knowledge harvesting is to capture an expert's decision-making processes with enough clarity that someone else could repeat the same processes and get the same results.

While there is no set formula for knowledge harvesting, there are some general guidelines that facilitate the process. These can be broken down into a number of steps.

- Focus: Decide on what specific knowledge and expertise you want to capture, and be clear about what the benefits will be. It is neither possible nor desirable to capture everything that everyone knows
- Understand your target audience. It is important to understand who will be using the knowledge that you are capturing before you start to capture it. This will help you ensure you capture the right knowledge at the right level, and make it available in the most appropriate ways
- Find your experts/partners. Identify the experts - the people who have the knowledge and know-how you are seeking to capture
- Choose your harvesters/partners. An effective harvester (interviewer) is crucial. Much of the success of knowledge harvesting relies on the ability of the interviewer to elicit the right knowledge from experts. Making tacit knowledge explicit can be difficult – people often don't

“know what they know” and so helping people to talk about what they know, and then capturing that effectively, is a key skill. It is generally recommended that you use people with strong communication, interpersonal and interviewing skills.

- Harvest: interview your experts/partners. The best way to capture tacit knowledge is using one-to-one, face-to-face interviews with your experts. The interviews will involve asking them to talk about what they do and to describe specific situations in which they have applied specific know-how. Interviews need to be well prepared in advance, including drafting a topic guide or a list of questions. Examples of questions might include:
 - Describe a time when...?
 - What’s the first thing you do?
 - How do you know to do that?
 - How do you know when to do it?
 - What do you do next? Why?
 - What usually happens?
 - What happens if something else is done?
 - What would happen if...?
 - Who else is involved?
 - What are some common mistakes or misconceptions?
 - What is the most important thing to remember when you’re doing this?
 - Describe how you currently help others learn how to do this?
 - What are the main obstacles that prevent them from achieving the same results as you?
 - What are examples of support materials, documents, procedures, manuals, research evidence, check-lists that are relevant?
 - What would make this process easier to understand?
 - What would make this process easier to achieve?
- Organize, package and share. Once the knowledge has been gathered it will be edited, organized and presented (or “packaged”) into a form that meets the needs of its users
- Apply, evaluate and adapt. It is important to ensure that the knowledge you have captured is being accessed and applied and that users are getting value from it. You will also need to consider its value over time: knowledge harvesting can result in relatively static documents that will, at some point, become out-of-date and so they will need to be continually refreshed if they are to retain their value.

A peer assist is simply a process where a team of people who are working on a project or activity call a meeting or workshop to seek knowledge and insights from people in other teams.

- Peer assists are part of a process of gathering knowledge before embarking on a project or piece of work, or when facing a specific problem or challenge within a piece of work
- A peer assist allows the team involved to gain input and insights from people outside the team, and to identify possible new lines of enquiry or approach – in short, reusing existing knowledge and experience rather than having to reinvent the wheel. Peer assists also have wider benefits: they promote sharing of learning between teams, and develop strong networks among people
- Peer assists are relatively simple and inexpensive to do: they do not require any special resources or any new, unfamiliar processes
- It is worth using a peer assist when a team is facing a challenge, where the knowledge and experience of others will really help

An after action review (AAR) is a discussion of a project or an activity that enables the individuals involved to learn for themselves what happened, why it happened, what went well, what needs improvement and what lessons can be learned from the experience. The spirit of an AAR is one of openness and learning - it is not about problem fixing or allocating blame. Lessons learned are not only tacitly shared on the spot by the individuals involved, but can be explicitly documented and shared with a wider audience.

What makes after action reviews so powerful is that they can be applied across a wide spectrum of activities, from two individuals conducting a five minute AAR at the end of a short meeting to a day-long AAR held by a project team at the end of a large project. Activities suitable for AARs simply need to have a beginning and an end, an identifiable purpose and some basis on which performance can be assessed.

The sharing of practices is often one of the first things to be carried out in a knowledge management initiative. A best or good practice is simply a process or a methodology that represents the most effective way of achieving a specific objective. Best or good practices are practices that have proven to work well and produce good results, and are therefore recommended as a model.

Much of best practice knowledge is tacit - held in people's heads and not always easy to document. Most best practice programmes combine two key elements: explicit knowledge such as a best practices database and/or learning notes (connecting people with information), and methods for sharing tacit knowledge such as communities of practice (connecting people with people). These two approaches are complementary. A database can provide enough information for a potential user of the best practice to find it and decide if it is worth pursuing further. However, the best way of sharing best practices is "on the job" and so communities and personal contact with others who have used the best practice is key.

The essence of identifying and sharing best practices is to learn from others and to re-use knowledge. Effective sharing of best practices can help organizations to:

- identify and replace poor practices
- raise the performance of poor performers closer to that of the best
- avoid reinventing the wheel
- minimize re-work caused by use of poor methods
- save costs through better productivity and efficiency

The following 6-step approach is recommended to identify and share best practices. The overall approach is aimed at documenting the essential features of a best practice, giving pointers to relevant experts in that practice, deducing general guidelines and disseminating basic knowledge.

- Identify requirements
- Discover good practices
- Document good practices
- Validate best/good practices
- Disseminate and apply
- Develop a support infrastructure

Support mechanism

The Communication division will support efforts to widely disseminate the lessons and best practices emerging from result-based COSOP. The Division will:

- advise as required on KM approaches and methods
- advise as required on how to improve the usefulness and adaptability of formats in which lessons, best practices, stories etc are provided
- adapt the learning emerging from result-based COSOPs for use in different contexts and fora, including in IFAD publications, videos, exhibits, on the IFAD website and the Rural Poverty Portal and at learning events as appropriate

Appendix XV

Guidelines on strategic communication in country programmes

These guidelines are intended as a starting point to draw attention to the key areas in which strategic communication can support IFAD's country programmes. They are not a step-by-step process for designing communication strategies for COSOPs. There are a number of useful resources listed at the end of this section that provide more detailed guidance on strategic communication in rural development, primarily at the project level. There are also some suggested methodologies for strategic and participatory communication in projects and programmes.

As CPMs integrate communication in their COSOPs, they are invited to draw on the experience of the Communications Division for advice and recommendations on external experts, where appropriate.

Why communication?

Communication is more than disseminating information and knowledge, it also about fostering social awareness and facilitating dialogue. It is about contributing to building a shared understanding that can lead to change.

Communication strategies can strengthen IFAD's country programmes by supporting participation of all partners, including poor rural people themselves, and by promoting greater awareness and understanding of IFAD's strategy and activities. By helping ensure that all partners are fully informed and engaged, communication strategies can also reinforce country ownership of IFAD-supported activities.

Reaching the MDGs depends on country ownership, citizens' voice and accountability (*Bellagio Statement on the Role of Communication in Meeting the MDGs, November 8-11 2004*). Most development agencies argue that development strategies are only likely to be successful if there is substantial country ownership, by governments and also by the people they are designed to benefit.

More specifically, communication strategies will improve the effectiveness of IFAD's country programmes by:

- Supporting participation and empowerment of those people most affected by IFAD's country programmes
- Providing channels for people to have their perspectives heard, assessed and incorporated into the COSOP
- Informing all stakeholders of IFAD's country strategy
- Building and strengthening partnerships
- Helping IFAD country teams advocate and influence decision-makers at all levels
- Communicating the COSOP's strategic objectives to help to maximize their prioritization in Poverty Reduction Strategies and other national development strategies
- Raising the profile of IFAD's work in the country
- Communicating results and impact
- Ensuring that learning is fully leveraged in country programmes and at the policy level
- Ensuring that lessons and best practices emerging during the life of country programmes are packaged and shared in formats and through channels appropriate to the various target audiences

All of these objectives can be met by well-targeted communication strategies.

Communication and knowledge management

Strategies for communication and knowledge management must be implemented in tandem to be effective. Knowledge management is a fundamental component of communication strategies, programmes and processes. And a sound communication strategy enables better achievement of goals through effective and efficient sharing of information and knowledge. Planned communication will help

ensure that the lessons and other information gathered through knowledge management activities are packaged and disseminated or used in ways that are appropriate to the target audiences, and which deliver the highest impact for resources invested.

Building ownership and participation through communication

Country perspectives and stated needs

Given IFAD's limited resources, substantive investigation or survey of the perspectives, needs and priorities of stakeholders, in particular poor rural people, may be beyond the budgets allocated for preparation of most COSOPs. Therefore it is important to maximize the effectiveness of every opportunity to consult with the main stakeholders.

Strategic, planned communication can support engagement with stakeholders to discuss their roles and responsibilities, get a sense of the various perspectives, needs and priorities and develop a common understanding. For example, a communication plan could be prepared to support the COSOP inception and validation workshops. It would help the CPM to think about and plan for the information and communication needs of the various participants, as well as to plan for how best to share information about the workshops' outcomes with a wider range of partners in the country.

Support to project-level communication

Communication strategies developed as part of the preparation of the COSOP can also act as an umbrella for planned communication in projects and programmes in the country, by providing information on the country's communication context, overall strategic guidance, and acting as the primary mechanism for ensuring that lessons and best practices emerging from projects are fed into the country programme as a whole.

For example, it may be useful during the preparation of background studies for a new COSOP, to consider studies that explore the communication needs, demands and opportunities of people living in rural areas. Information could also be gathered on the general communication and information environment in the country, covering areas such as national communication and telecommunications policies and regulations, access to communication technologies, the state of the media, existing capacity in the country for design and implementation of communication strategies. This background information could be useful during the design of communication components in new projects.

As with other background studies conducted during preparation of the COSOP, it may not be possible to carry out primary research or data collection on the communication environment in a country. However, relevant data may be available through other institutions such as the World Bank, UNDP, UNESCO and the International Telecommunications Union (ITU), as well as partners in the country.

Building influence through strategic communication: communicating the COSOP

Competing for policy attention in a crowded development market

Most bilateral and multilateral organizations, and indeed most major international NGOs, are decentralizing management, staff, budgets and decision making to the country level and are also working to ensure that their priorities are reflected in PRSPs. As a consequence, increasing human and financial resources are being employed by these organizations to communicate and advocate priority issues so that they are given priority within national poverty reduction strategies and other national development strategies. This is not the case for IFAD. However, communication strategies designed to influence decision makers, including members of government, donors and other major partners, can still be an important tool and don't necessarily require significant resources to develop and implement. Advocacy can be targeted to mobilize resources, ensure buy-in and influence policy and other key strategies, such as PRSPs.

Communicating is an ongoing activity during the life of the COSOP, especially in relation to knowledge management and results and impact. Therefore, any communication and/or knowledge management strategy should be for the duration of the COSOP.

Getting started

Following are some practical steps for developing a communication strategy:

- Establish the communication objectives
- Identify target audiences
 - relevant policymakers and officials in government rural development ministries
 - relevant policymakers and officials in other government departments, particularly ministries of finance
 - civil society and other non-government actors (including private sector where relevant)
 - people who will be affected by IFAD-supported initiatives in the country
- Identify key messages
- Identify key partners and stakeholders
- Identify media and other channels for dissemination
- Define indicators to track impact

A communication plan can then be developed that takes into account the specific needs of each type of audience. It would elaborate on how to achieve each of the communication objectives identified in the strategy. It would discuss in greater detail how to articulate messages for each audience and the various media and other communication channels to be used, according to the preferences of the audience.

As already mentioned, any communication strategies and plans for IFAD's country programmes should be developed in tandem with strategies for knowledge management. Information, lessons and best practices captured, analysed and shared systematically during the period of the COSOP will form the building blocks of the "stories" that IFAD can use to raise the profile of rural development issues through strategic communication internationally, regionally and nationally.

Useful resources and further reading

IFAD resources

The communication component of COSOPs. Background paper prepared by James Deane as a contribution to the preparation of the new format for IFAD COSOPs, 2005.

Guidelines, approaches and methodologies

Communication for empowerment: developing media strategies in support of vulnerable groups. A practical guidance note. UNDP, 2006.

Guidelines on communication for rural development. A brief for development planners and project formulators. FAO, 1995.

Involving the community. A guide to participatory communication for development. Guy Bessette. International Development Research Centre, 2004.

Managing strategic communication in bank projects. A handbook for project officers. Inter-American Development Bank and the Academy for Educational Development, 2004.

Strategic communication for Community-Driven Development: A practical guide for project managers and communication practitioners. Masud Mozammel and Galia Schechter. World Bank, 2005.

Studies and reports

With the support of multitudes: Using strategic communication to fight poverty through PRSPs. Masud Mozammel and Sina Odugbemi (eds). Department for International Development, UK and the World Bank, 2005.

Communication for Development. A medium for innovation in natural resource management. Ricardo Ramírez and Wendy Quarry. International Development Research Centre and FAO, 2004.

Examples

Uganda National Agricultural Advisory Services (NAADS) information and communication strategy <http://www.naads.or.ug/publicationsDetails.php?category=Strategies&title=Information%20and%20Communication%20Strategy&Id=50>

Learning our way into communication: The making of the communication and information strategy with the National Agricultural Advisory Services Programme in Uganda. Ricardo Ramírez. In Agricultural Research and Extension Network (AgREN), Overseas Development Institute 2005.